

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE EASTERN DISTRICT OF TEXAS
3 MARSHALL DIVISION

4 GREE, INC.,) (CIVIL ACTION NOS.
5 PLAINTIFFS,) (2:19-CV-70-JRG-RSP
6 VS.) (2:19-CV-71-JRG-RSP
7 SUPERCELL OY,) (MARSHALL, TEXAS
8 DEFENDANTS.) (SEPTEMBER 17, 2020
9) (8:25 A.M.
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TRANSCRIPT OF JURY TRIAL

VOLUME 11

BEFORE THE HONORABLE JUDGE RODNEY GILSTRAP

UNITED STATES CHIEF DISTRICT JUDGE

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08:23:47 1 P R O C E E D I N G S

08:23:47 2 (Jury out.)

08:23:47 3 COURT SECURITY OFFICER: All rise.

08:23:50 4 THE COURT: Be seated, please.

08:25:40 5 Counsel, are you prepared to read into the record

08:25:40 6 those items from the list of pre-admitted exhibits used

08:25:54 7 during yesterday's portion of the trial?

08:25:54 8 MR. MOORE: Good morning. Yes, Your Honor. My

08:25:57 9 colleague, Mr. Rinehart, will come to the podium and do

08:26:00 10 that.

08:26:01 11 THE COURT: All right. If you'll proceed,

08:26:02 12 Mr. Rinehart.

08:26:05 13 MR. MOORE: Thank you.

08:26:06 14 MR. RINEHART: Good morning, Your Honor.

08:26:17 15 THE COURT: Good morning.

08:26:18 16 MR. RINEHART: GREE would like to admit PTX-2,

08:26:25 17 PTX-5, PTX-72, PTX-73, PTX-142, PTX-561, PTX-566, PTX-600,

08:26:53 18 PTX-690.

08:26:55 19 THE COURT: Thank you.

08:26:57 20 Is there any objection from the Defendant to that

08:27:00 21 rendition?

08:27:00 22 MR. DACUS: No objection, Your Honor.

08:27:02 23 THE COURT: All right. Does the Defendant have a

08:27:04 24 similar rendition to read into the record?

08:27:06 25 MR. DACUS: Yes, we do, Your Honor.

08:27:08 1 Mr. McMichael will read it in.

08:27:09 2 THE COURT: All right.

08:27:10 3 Mr. McMichael, please proceed.

08:27:13 4 Thank you, Mr. Rinehart.

08:27:15 5 MR. RINEHART: Thank you, Your Honor.

08:27:16 6 MR. MCMICHAEL: Good morning, Your Honor.

08:27:24 7 THE COURT: Good morning.

08:27:25 8 MR. MCMICHAEL: Supercell introduced the following

08:27:29 9 exhibits from yesterday: DX-237, DX-1217, DX-1218,

08:27:36 10 DX-1239, PTX-139, PTX-142, PTX-167, and PTX-480.

08:27:44 11 THE COURT: All right. Is there objection to that

08:27:46 12 rendition by the Plaintiff?

08:27:48 13 MR. MOORE: No objections, Your Honor.

08:27:49 14 THE COURT: All right.

08:27:51 15 MR. MCMICHAEL: Thank you.

08:27:52 16 THE COURT: Thank you, Mr. McMichael.

08:27:53 17 Ladies and gentlemen, including both counsel and

08:28:04 18 our guests in the gallery, I'm about to bring in the jury

08:28:07 19 and proceed to give them my final instructions.

08:28:14 20 Following my final jury instructions, counsel for

08:28:16 21 the parties will present their closing arguments. Let me

08:28:19 22 make it clear to everyone present that the Court considers

08:28:23 23 its final charge to the jury and counsel's closing

08:28:25 24 arguments to be the most serious part of a very serious

08:28:29 25 process.

08:28:29 1 Consequently, once I bring in the jury, I expect
08:28:34 2 everyone to sit quietly and respectfully. I don't want to
08:28:38 3 see movement. I don't want to hear extraneous noise. If
08:28:42 4 you need to get up and leave the courtroom for any reason,
08:28:46 5 do it now, not during the time -- or not during after --
08:28:50 6 after I've brought in the jury.

08:28:51 7 Is there anything from either Plaintiff or
08:28:54 8 Defendant before I bring in the jury?

08:28:56 9 MR. MOORE: No, Your Honor.

08:28:58 10 MR. DACUS: No, Your Honor.

08:28:58 11 THE COURT: All right. Each side has 40 minutes
08:29:04 12 for closing. Plaintiff must use at least 20 minutes in its
08:29:08 13 first closing.

08:29:09 14 With that, let's bring in the jury,
08:29:12 15 Mr. Fitzpatrick.

08:29:13 16 COURT SECURITY OFFICER: Yes, sir.

08:29:13 17 All rise.

08:29:15 18 (Jury in.)

08:29:15 19 THE COURT: Good morning, ladies and gentlemen.
08:29:45 20 Please have a seat.

08:29:51 21 Ladies and gentlemen of the jury, you've now heard
08:29:59 22 all the evidence in this case, and I will now instruct you
08:30:03 23 on the law that you must apply.

08:30:05 24 Before we go any further, let me make clear to you
08:30:10 25 that you are each going to have your own individual,

08:30:14 1 printed, hard copy of these final jury instructions that
08:30:18 2 I'm about to give you orally, which means if you'd like to
08:30:21 3 take notes while I give them orally, you may, but you will
08:30:25 4 have a hard copy to review in case you would rather listen
08:30:28 5 carefully and not make notes. Let me make that clear to
08:30:31 6 you.

08:30:31 7 It's your duty to follow the law as I give it to
08:30:36 8 you. On the other hand, ladies and gentlemen, and as I've
08:30:40 9 said previously, you, the jury, are the sole judges of the
08:30:43 10 facts in this case.

08:30:45 11 You should not consider any statement that I have
08:30:49 12 made over the course of the trial or make during these
08:30:51 13 instructions as an indication to you that I have any
08:30:55 14 opinion about the ultimate facts in this case.

08:30:58 15 Now, you're about to hear closing arguments from
08:31:03 16 the attorneys. Statements and arguments of the attorneys,
08:31:06 17 I remind you, are not evidence, and they are not
08:31:10 18 instructions on the law. They're intended only to assist
08:31:15 19 the jury in understanding the evidence and the parties'
08:31:18 20 competing positions and contentions.

08:31:21 21 A verdict form has been prepared for you. And
08:31:26 22 you'll take this verdict form with you to the jury room
08:31:28 23 when I instruct you to retire and deliberate on your
08:31:31 24 verdict.

08:31:32 25 And when you have reached a unanimous decision or

08:31:36 1 agreement as to your verdict, you'll have your foreperson
08:31:40 2 fill in the blanks in the verdict form, date it, sign it,
08:31:44 3 and then return it to the Court Security Officer -- or
08:31:49 4 notify the Court Security Officer.

08:31:49 5 Answer each question in the verdict form from the
08:31:53 6 facts as you find them to be. Do not decide, ladies and
08:31:57 7 gentlemen, who you think should win the case and then
08:31:59 8 answer the questions to reach that result. Again, your
08:32:05 9 answers and your verdict must be unanimous.

08:32:06 10 Now, in determining whether any fact has been
08:32:12 11 proven in this case, you may, unless otherwise instructed,
08:32:15 12 consider the testimony of all the witnesses, regardless of
08:32:20 13 who may have called them, and you may consider the effect
08:32:24 14 of all the exhibits received and admitted into evidence,
08:32:28 15 regardless of who may have produced or presented those
08:32:30 16 exhibits.

08:32:31 17 You, the jurors, are the sole judges of the
08:32:38 18 credibility and believability of each and every witness and
08:32:41 19 of the weight and effect to give to the evidence in this
08:32:44 20 case.

08:32:44 21 Now, during the course of the trial, you've been
08:32:49 22 shown documents with some portions that may have been
08:32:52 23 redacted or blacked out. In those situations, you should
08:32:55 24 not speculate about what may have been redacted or why it
08:32:59 25 was redacted. Those redactions were approved by the Court

08:33:03 1 prior to when the trial began.

08:33:05 2 As I've told you previously, the attorneys in this
08:33:09 3 case are acting properly as advocates for their competing
08:33:13 4 parties and those parties' competing claims. And the
08:33:18 5 lawyers have a duty to object when they believe evidence is
08:33:21 6 offered that should not be admitted under the rules of the
08:33:26 7 Court.

08:33:26 8 When the Court has sustained an objection to a
08:33:28 9 question addressed to a witness, you are to disregard the
08:33:32 10 question entirely, and you may not draw any inference from
08:33:38 11 its wording or speculate about what the witness would have
08:33:40 12 said if the Court had allowed them to answer the question.

08:33:43 13 On the other hand, if I have overruled an
08:33:47 14 objection, then you're to treat the answer to the question
08:33:51 15 and the question itself just as if no objection had been
08:33:55 16 made, that is, like any other question and answer during
08:33:59 17 the trial.

08:33:59 18 Now, at times during the trial, it was necessary
08:34:04 19 for the Court to talk to the attorneys outside of your
08:34:07 20 presence and hearing. In those cases, I asked you to
08:34:11 21 retire to the jury room.

08:34:13 22 When this happens in a trial like this one,
08:34:16 23 because there are things that sometimes arise that do not
08:34:19 24 involve the jury, you should not speculate, ladies and
08:34:23 25 gentlemen, about what was said during any discussions that

08:34:26 1 took place outside of your presence.

08:34:29 2 Now, there are two types of evidence that you may
08:34:33 3 properly consider in finding the truth as to the facts in
08:34:37 4 this case. One is direct evidence, such as the testimony
08:34:42 5 of an eyewitness. The other is indirect or circumstantial
08:34:45 6 evidence, that is, the proof of a chain of circumstances
08:34:50 7 that indicates the existence or non-existence of certain
08:34:55 8 other facts.

08:34:56 9 As a general rule, you should know that the law
08:35:00 10 makes no distinction between direct or indirect -- that is,
08:35:03 11 direct or circumstantial evidence -- but simply requires
08:35:06 12 that you, the jury, find the facts based on the evidence as
08:35:10 13 presented, both direct and circumstantial.

08:35:12 14 Now, the parties in this case may have stipulated
08:35:17 15 or agreed to certain facts in the case, and when the
08:35:22 16 lawyers for both sides stipulate as to the existence of a
08:35:26 17 fact, you must, unless otherwise instructed, accept that
08:35:29 18 stipulation as evidence and regard that fact as proven.

08:35:32 19 Certain testimony has been presented to you during
08:35:35 20 this case through what are called depositions. A
08:35:38 21 deposition is the sworn, recorded answers to questions
08:35:42 22 asked to a witness in advance of the trial.

08:35:46 23 If a witness cannot be present to testify in
08:35:49 24 person from open court, then the witness's testimony may be
08:35:53 25 presented under oath in the form of a deposition.

08:35:55 1 As I told you earlier, before the trial begins,
08:36:02 2 attorneys representing both sides in this case questioned
08:36:04 3 these deposition witnesses under oath. At that time, a
08:36:07 4 court reporter was present and the witness was sworn and
08:36:10 5 placed under oath. Both sides had an opportunity to
08:36:14 6 contribute those portions of that testimony which were
08:36:18 7 ultimately played to you as a part of this trial in open
08:36:20 8 court.

08:36:20 9 Deposition testimony is entitled to be considered
08:36:25 10 by you as if it was just like the person had testified in
08:36:32 11 open court, and you must judge, as well as you can, the
08:36:36 12 credibility and believability of the witnesses presented by
08:36:41 13 deposition, as well as the witnesses who testified to you
08:36:44 14 live and in open court physically present.

08:36:47 15 Now, while you should consider only the evidence
08:36:51 16 in this case, ladies and gentlemen -- and this is
08:36:54 17 important -- you should understand that you are permitted
08:36:58 18 to draw such reasonable inferences from the testimony and
08:37:02 19 the exhibits that you feel are justified in the light of
08:37:06 20 common experience.

08:37:09 21 In other words, ladies and gentlemen, you may make
08:37:11 22 deductions and reach conclusions that reason and common
08:37:16 23 sense lead you to draw from the facts that have been
08:37:19 24 established by the testimony and the evidence in this case.

08:37:22 25 However, you should not base your decisions on any

08:37:27 1 evidence not presented by the parties in open court during
08:37:31 2 the course of the trial.

08:37:33 3 In deciding the facts in this case, you may have
08:37:37 4 to decide which testimony to believe and which testimony
08:37:41 5 not to believe. You alone, ladies and gentlemen, are to
08:37:46 6 determine all questions of credibility or truthfulness as
08:37:50 7 to the witnesses.

08:37:51 8 In weighing the testimony of the witnesses, you
08:37:53 9 may consider the witness's manner and demeanor on the
08:37:57 10 witness stand, any feelings or interests in the case, any
08:38:01 11 prejudice or bias about the case that he or she may have,
08:38:08 12 and the consistency or inconsistency of his or her
08:38:11 13 testimony considered in the light of the circumstances.

08:38:13 14 Has the witness been contradicted by other
08:38:16 15 credible evidence? Has he or she made statements at other
08:38:22 16 times and places contrary to the statements they made on
08:38:25 17 the witness stand?

08:38:25 18 You must give the testimony of each witness the
08:38:30 19 credibility that you think it deserves. But keep in mind,
08:38:34 20 ladies and gentlemen, a simple mistake does not mean that a
08:38:37 21 witness was not telling the truth. And you must consider
08:38:40 22 whether any misstatement made over the course of the trial
08:38:43 23 was an intentional falsehood or a simple lapse of memory,
08:38:48 24 and what significance should be attached to that testimony.

08:38:51 25 Now, unless I instruct you otherwise, you may

08:38:59 1 properly determine that the testimony of even a single
08:39:02 2 witness is sufficient to prove any fact, even if a greater
08:39:05 3 number of witnesses may have testified to the contrary, if
08:39:09 4 after considering all of the evidence you believe that
08:39:12 5 single witness.

08:39:15 6 Now, when knowledge of a technical subject may be
08:39:18 7 helpful to the jury, a person who has special training and
08:39:21 8 experience in that technical field, called an expert
08:39:25 9 witness, is permitted to state his or her opinions on those
08:39:31 10 technical matters to the jury.

08:39:33 11 However, ladies and gentlemen, you're not required
08:39:36 12 to accept those opinions. As with any other witness, it's
08:39:41 13 solely up to you to decide who to believe and who you don't
08:39:44 14 believe and whether or not you want to rely on their
08:39:46 15 testimony.

08:39:46 16 Now, over the course of the trial, certain
08:39:51 17 documents and exhibits have been shown to you that were
08:39:56 18 illustrations. We call these types of things demonstrative
08:39:59 19 exhibits. Sometimes we simply refer to them as
08:40:05 20 demonstratives.

08:40:06 21 Demonstrative exhibits are a party's description,
08:40:08 22 picture, model, or drawing to describe something involved
08:40:13 23 in the trial.

08:40:15 24 If your recollection of the evidence differs from
08:40:17 25 the demonstratives, you should rely on your recollection.

08:40:22 1 Demonstrative exhibits are sometimes called jury
08:40:25 2 aids. Remember, a demonstrative is not itself evidence,
08:40:30 3 but the witness's testimony which was given when a
08:40:34 4 demonstrative was used is evidence.

08:40:40 5 While demonstratives may be helpful to you in
08:40:42 6 determining the issues, the demonstrative exhibits from
08:40:45 7 both of the parties are not evidence, and they are not
08:40:47 8 proof of any facts. Accordingly, ladies and gentlemen,
08:40:51 9 demonstratives will not be available for you to consider
08:40:55 10 during your deliberations in the jury room.

08:40:57 11 Now, in any legal action, facts must be proven by
08:41:04 12 a required amount of evidence known as the burden of proof.
08:41:08 13 The burden in -- of proof in this case is on the Plaintiff
08:41:12 14 for some issues and is on the Defendant for other issues.
08:41:17 15 And there are two burdens of proof that you are to apply in
08:41:20 16 this case.

08:41:21 17 One is the preponderance of the evidence, and the
08:41:24 18 other is clear and convincing evidence.

08:41:28 19 The Plaintiff in this case, GREE, Inc., who you've
08:41:32 20 heard referred to throughout the trial simply as GREE, has
08:41:36 21 the burden of proving patent infringement by a
08:41:39 22 preponderance of the evidence.

08:41:41 23 GREE also has the burden of proving willful patent
08:41:44 24 infringement by a preponderance of the evidence. And GREE
08:41:48 25 has the burden of proof of proving damages for any patent

08:41:52 1 infringement by a preponderance of the evidence.

08:41:57 2 A preponderance of the evidence means evidence

08:42:01 3 that persuades you that the claim is more probably true

08:42:05 4 than not true. We sometimes talk about this as being the

08:42:08 5 greater weight and degree of credible testimony.

08:42:11 6 The Defendant in this case, Supercell Oy, who

08:42:16 7 you've heard referred to in -- throughout the trial simply

08:42:20 8 as Supercell, has the burden of proving patent invalidity

08:42:26 9 by clear and convincing evidence.

08:42:28 10 Clear and convincing evidence means evidence that

08:42:31 11 produces in your mind an abiding conviction that the truth

08:42:35 12 of the parties' factual contentions are highly probable.

08:42:41 13 Although proof to an absolute certainty is not

08:42:44 14 required, the clear and convincing evidence standard

08:42:48 15 requires a greater degree of persuasion than is necessary

08:42:51 16 for the preponderance of the evidence standard.

08:42:55 17 Now, as I told you previously, neither of these

08:42:58 18 burdens of proof should be con -- confused with the burden

08:43:02 19 of proof of beyond a reasonable doubt, which is the burden

08:43:05 20 of proof applied in a criminal case.

08:43:08 21 The burden of proof of beyond a reasonable doubt

08:43:11 22 does not apply to this or any civil case. You should not

08:43:15 23 confuse clear and convincing evidence with beyond a

08:43:21 24 reasonable doubt.

08:43:22 25 Clear and convincing evidence is not as high a

08:43:26 1 burden of proof as beyond a reasonable doubt, but it is a
08:43:28 2 higher burden of proof than the preponderance of the
08:43:31 3 evidence.

08:43:31 4 Now, in determining whether any fact has been
08:43:35 5 proven by a preponderance of the evidence or by clear and
08:43:38 6 convincing evidence, you may, unless otherwise instructed,
08:43:42 7 consider the stipulations of the parties, the testimony of
08:43:45 8 all the witnesses, regardless of who called them, and all
08:43:48 9 the exhibits which have been admitted into evidence by the
08:43:52 10 Court throughout the trial, and regardless of who may have
08:43:55 11 produced those exhibits.

08:43:56 12 Now, as I did at the beginning of the case, I'll
08:44:00 13 give you a summary of each side's contentions, and then
08:44:04 14 I'll provide you with detailed instructions about what each
08:44:07 15 side must prove to win on each of its contentions.

08:44:10 16 As I've previously told you, this is an action for
08:44:13 17 patent infringement. And this case concerns five separate
08:44:18 18 United States patents. They are:

08:44:22 19 United States Patent No. 9,597,594, which you've
08:44:27 20 heard referred to throughout the trial as the '594 patent.

08:44:30 21 United States Patent 9,604,137, which you've heard
08:44:37 22 referred to throughout the trial as the '137 patent.

08:44:38 23 United States Patent 9,956,481, which you've heard
08:44:47 24 referred to throughout the trial as the '481 patent.

08:44:49 25 United States Patent 9,774,655, which you've heard

08:44:55 1 referred to throughout the trial as the '655 patent.

08:44:59 2 And United States Patent 9,9 -- excuse me,

08:45:06 3 9,795,873, which you've heard referred to throughout the

08:45:10 4 trial as the '873 patent.

08:45:12 5 I'll refer to these patents in these instructions

08:45:16 6 as the patents-in-suit or as the asserted patents, and in

08:45:21 7 so doing, I'm referring to all five of them collectively.

08:45:24 8 Now, the Plaintiff, GREE, has alleged that certain

08:45:29 9 of Supercell's games directly infringe the asserted claims

08:45:34 10 of the patents-in-suit. Additionally, GREE seeks money

08:45:37 11 damages for infringement by Supercell involving three of

08:45:41 12 Supercell's games, which are Clash of Clans, Clash Royale,

08:45:47 13 and Brawl Stars, which GREE alleges use technology covered

08:45:51 14 by the claims of the asserted patents.

08:45:54 15 During these instructions you may hear these

08:46:02 16 products, these games referred to as the accused products,

08:46:08 17 and that's how I will try to refer to them throughout the

08:46:12 18 remainder of these instructions.

08:46:13 19 GREE contends that the accused products infringe

08:46:15 20 the following claims:

08:46:17 21 Claim 2 of the '594 patent.

08:46:20 22 Claim 1, 2, and 15 of the '137 patent.

08:46:24 23 Claim 4 and 5 of the '481 patent.

08:46:27 24 Claim 5 and 7 of the '655 patent.

08:46:30 25 And Claims 8 and 10 of the '873 patent.

08:46:33 1 These claims are sometimes called or referred to
08:46:38 2 as the asserted claims.

08:46:40 3 GREE also alleges that Supercell's infringement is
08:46:44 4 and has been willful. GREE seeks damages in the form of a
08:46:49 5 reasonable royalty for Supercell's alleged infringement.

08:46:54 6 Now, Supercell, to be clear, denies that the
08:46:57 7 accused products infringe any of the asserted claims of the
08:47:02 8 five asserted patents. Supercell further denies that it
08:47:06 9 willfully infringed any claim of the asserted patents.

08:47:10 10 Supercell also contends that the asserted claims
08:47:15 11 of patent -- of the '137, the '481, the '655, and the '873
08:47:22 12 patents are invalid. Supercell denies that it owes GREE
08:47:27 13 any damages in this case.

08:47:30 14 Remember, ladies and gentlemen, invalidity is a
08:47:33 15 defense to infringement. Invalidity and infringement are
08:47:38 16 separate and distinct issues. And your job is to decide
08:47:42 17 whether any of the asserted claims has been infringed and
08:47:46 18 when -- and whether any of the asserted claims of those
08:47:50 19 four challenged patents are invalid.

08:47:52 20 It's your job as members of the jury to decide
08:47:56 21 whether GREE has proven that Supercell has infringed any of
08:48:00 22 the asserted claims of the asserted patents and whether
08:48:04 23 that infringement was willful.

08:48:06 24 You must also decide whether Supercell has proven
08:48:09 25 that any of the asserted claims of the '137, the '481, the

08:48:15 1 '655, and the '873 patents are invalid.

08:48:20 2 If you decide that any of the asserted claims have
08:48:23 3 been infringed and are not invalid, then you'll have to
08:48:29 4 decide what amount of money damages, if any, are to be
08:48:32 5 awarded to GREE to compensate it for that infringement.

08:48:36 6 Now, before you can decide many of the issues in
08:48:40 7 this case, you'll need to understand the role of the patent
08:48:42 8 claims.

08:48:44 9 The claims of the patent are the numbered
08:48:47 10 sentences at the end of the patent. The claims define the
08:48:52 11 patent owner's rights under the law. The claims are
08:48:57 12 important because it's the words of the claims themselves
08:48:59 13 that define what the patent covers.

08:49:02 14 The figures and the text in the rest of the patent
08:49:06 15 are intended to provide a description or examples of the
08:49:09 16 invention, and they provide a context for the claims. But
08:49:13 17 it is the claims, ladies and gentlemen, that define the
08:49:16 18 breadth of the patent's coverage.

08:49:20 19 Each claim is effectively treated as if it were
08:49:24 20 its own separate patent, and each claim may cover more or
08:49:27 21 may cover less than any other claim. Accordingly, what a
08:49:31 22 patent covers collectively or as a whole depends on what
08:49:35 23 each of its claims cover.

08:49:38 24 You'll first need to understand what each claim
08:49:40 25 covers in order to decide whether or not there is

08:49:43 1 infringement of that claim and to decide whether or not the
08:49:47 2 claim is invalid.

08:49:48 3 The first step is to understand the meaning of the
08:49:51 4 words used in the patent claim.

08:49:53 5 Now, the law says that it's my role as the Judge
08:49:56 6 to define the terms of the claims, but it's your role as
08:50:01 7 the jury to apply my definitions to the issues that you've
08:50:05 8 been asked to decide in this case.

08:50:07 9 Accordingly, and as I explained at the beginning
08:50:11 10 of the case, I have determined the meaning of certain claim
08:50:15 11 language, and I've provided those definitions to you of
08:50:18 12 those claim terms in your juror notebooks.

08:50:21 13 You must accept my definitions and constructions
08:50:26 14 of these words in the claims as being correct. And it's
08:50:28 15 your job to take these definitions that I've supplied and
08:50:32 16 apply them to the issues that you are asked to decide,
08:50:36 17 including the issues of infringement and invalidity.

08:50:39 18 My interpretation of the claim terms should not be
08:50:43 19 taken by you as an indication that I have a view regarding
08:50:47 20 the issues of infringement and invalidity. The decisions
08:50:53 21 regarding infringement and invalid -- and invalidity,
08:50:56 22 ladies and gentlemen, are yours alone to make.

08:50:58 23 Now, for claim limitations where I have not
08:51:01 24 construed -- that is, defined or interpreted -- any
08:51:04 25 particular term or language of the claims, you're to apply

08:51:08 1 the plain and ordinary meaning of the term as understood by
08:51:13 2 a person of ordinary skill in the art, which is to say in
08:51:17 3 the field of the technology of the patent at the time of
08:51:21 4 the alleged invention.

08:51:22 5 The meaning of the words of the patent claims must
08:51:27 6 be the same when deciding the issues of infringement and
08:51:31 7 when deciding the issues of invalidity.

08:51:35 8 I'll now explain what a claim covers -- excuse me,
08:51:38 9 I'll now explain how a claim covers -- I'll now explain how
08:51:44 10 a claim defines what it covers. I got it right.

08:51:48 11 A claim sets forth in words a set of requirements.
08:51:53 12 Each claim sets forth its requirements in a single
08:51:56 13 sentence. If a device satisfies each of these requirements
08:52:01 14 in the sentence, then it is covered by and infringes the
08:52:05 15 claim.

08:52:06 16 There can be several claims in a patent. A claim
08:52:10 17 may be narrower or broader than any other claim by setting
08:52:14 18 forth more or fewer requirements. The coverage of a patent
08:52:18 19 is assessed on a claim-by-claim basis.

08:52:24 20 In patent law, the requirement -- the requirements
08:52:27 21 of a claim are often referred to as the claim elements or
08:52:31 22 the claim limitations. Those mean the same thing.

08:52:34 23 When a patent meets all the requirements or
08:52:38 24 limitations of a claim -- that is, it meets all of the
08:52:42 25 elements or all of the limitations of that claim -- it is

08:52:47 1 said to cover that product, and that product is said to
08:52:50 2 fall within the scope of that claim.

08:52:52 3 In other words, a claim covers a product where
08:52:56 4 each of the claim elements or limitations is present in
08:53:01 5 that product.

08:53:02 6 If a product is missing even one limitation or
08:53:05 7 element of a claim, the product is not covered by that
08:53:08 8 claim.

08:53:09 9 If a product is not covered by that claim, the
08:53:12 10 product does not infringe that claim.

08:53:15 11 Now, this case involves two types of patent
08:53:20 12 claims, independent claims and dependent claims.

08:53:24 13 An independent claim does not refer to any other
08:53:27 14 claim in the patent. An independent claim sets forth all
08:53:31 15 the requirements that must be met in order to be covered by
08:53:34 16 the claim. And it's not necessary to look to any other
08:53:38 17 claim to determine what an independent claim covers.

08:53:42 18 By contrast, a dependent claim does not by itself
08:53:46 19 recite all the requirements of the claim but refers to
08:53:50 20 another claim or claims for some of its requirements. In
08:53:55 21 this way, the dependent claim depends on another claim.

08:54:00 22 The law considers a dependent claim to incorporate
08:54:03 23 all the requirements of the claim or claims to which it
08:54:07 24 refers or depends, as well as the additional claims set
08:54:12 25 forth in the dependent claim itself.

08:54:16 1 So to determine what a dependent claim covers,
08:54:19 2 it's necessary to look at both the dependent claim and any
08:54:24 3 other claim to which it refers, or as we sometimes say,
08:54:27 4 from which it depends.

08:54:28 5 A product that meets all the requirements of both
08:54:31 6 the dependent claim and the claim or claims to which it
08:54:35 7 refers or depends is covered by that dependent claim.

08:54:38 8 Now, certain claims of the asserted patents use
08:54:42 9 the word "comprising." Comprising means including or
08:54:46 10 containing. When the word "comprising" is used, a product
08:54:51 11 that includes all the limitations or elements of the claim,
08:54:55 12 as well as additional elements, is covered by the claim.

08:55:00 13 For example, if you take a claim that covers the
08:55:02 14 invention of a table, if the claim recites a table
08:55:06 15 comprising a tabletop, four legs, and nails to hold the
08:55:11 16 legs to the tabletop, the claim will cover any table
08:55:16 17 that -- that contains these specific structures, even if
08:55:20 18 the table also contains other structures, such as leaves to
08:55:25 19 go in the tabletop or wheels to go on the ends of the legs.

08:55:28 20 And that's a simple example using the word
08:55:31 21 "comprising" and what it means. In other words, ladies and
08:55:34 22 gentlemen, it can have other features in addition to those
08:55:38 23 that are covered by the patent.

08:55:40 24 But if a product is missing even one element or
08:55:44 25 limitation of a claim, it does not meet all the

08:55:47 1 requirements of the claim and is not covered by the claim.
08:55:51 2 And if a product is not covered by the claim, it does not
08:55:54 3 infringe that claim.

08:55:55 4 I'll now instruct you on infringement in more
08:55:59 5 detail.

08:56:00 6 If a person makes, uses, sells, or offers for sale
08:56:04 7 within the United States or imports into the United States
08:56:09 8 what is covered by a patent claim without the patent
08:56:12 9 owner's permission, that person is said to infringe the
08:56:16 10 patent.

08:56:17 11 To determine whether there is infringement, you
08:56:20 12 must compare the asserted claims, as I've defined them for
08:56:25 13 you, to the accused products. You should not compare the
08:56:30 14 accused products with any specific example set out or
08:56:34 15 described in the patent or within the prior art in reaching
08:56:39 16 your decision on infringement.

08:56:40 17 As I've reminded you, the only correct comparison
08:56:44 18 is between the accused products and the language of the
08:56:48 19 asserted claims themselves.

08:56:50 20 You must reach your decision as to each assertion
08:56:54 21 of infringement based on my instructions about the meanings
08:56:58 22 and scope of the claims, the -- the legal requirements for
08:57:02 23 infringement and the evidence presented to you by both of
08:57:06 24 the parties in this case.

08:57:10 25 I'll now instruct you on the specific rules that

08:57:12 1 you must follow to determine whether GREE has proven that
08:57:18 2 Supercell has infringed one or more of the patent claims
08:57:21 3 involved in this case.

08:57:22 4 In order to prove infringement of a patent claim,
08:57:27 5 GREE must show by a preponderance of the evidence that the
08:57:30 6 accused product includes each requirement or limitation of
08:57:35 7 the claim.

08:57:36 8 The issue of infringement is assessed on a
08:57:38 9 claim-by-claim basis within each patent. Therefore, there
08:57:44 10 may be infringement as to a particular -- of a particular
08:57:47 11 patent as to one claim even if there is no infringement as
08:57:50 12 to other claims within that patent.

08:57:54 13 In this case, GREE contends that Supercell both
08:57:57 14 directly infringes and indirectly infringes the asserted
08:58:04 15 claims.

08:58:04 16 In order to directly infringe a patent claim, the
08:58:06 17 accused product must include or perform each and every
08:58:09 18 element of the claim. Thus, in determining whether
08:58:14 19 Supercell infringes GREE's asserted claims, you must
08:58:17 20 determine if the accused products contain or perform each
08:58:21 21 and every element recited in a claim of the asserted
08:58:26 22 patent.

08:58:26 23 If a particular sequence is required by the
08:58:30 24 claims, the accused products must follow that sequence.

08:58:34 25 In the case of the asserted claims of the '137 and

08:58:39 1 '481 patents, selection must precede subtraction, and
08:58:44 2 subtraction must precede addition.

08:58:46 3 As to Claims 2 and 15 of the '137 patent and the
08:58:52 4 asserted claims of the '481 patent, selection must precede
08:58:57 5 game content removal, and game content removal must precede
08:59:03 6 game content update.

08:59:05 7 A claim element is literally present if it exists
08:59:09 8 in or is performed by the accused product as it is
08:59:13 9 described in the claim language either as I've explained it
08:59:18 10 to you, or if I did not, according to the plain and
08:59:21 11 ordinary meaning as understood by one of ordinary skill in
08:59:25 12 the art.

08:59:25 13 Now, a party can directly infringe a patent
08:59:29 14 without knowing of the patent or without knowing that what
08:59:33 15 a party is doing is patent infringement, and whether the
08:59:37 16 patent practices the patent -- excuse me, whether the
08:59:40 17 Plaintiff practices the patent is irrelevant to whether
08:59:44 18 there is infringement by the Defendant.

08:59:45 19 You must determine, ladies and gentlemen,
08:59:51 20 separately for each asserted claim, whether or not there is
08:59:55 21 infringement, because in order for a claim to be infringed,
08:59:58 22 each and every requirement of the claim must be present or
09:00:01 23 performed. Even if a single requirement of the claim is
09:00:05 24 missing from the accused product, the claim is not
09:00:08 25 infringed.

09:00:10 1 For dependent claims, if you find that an
09:00:14 2 independent claim from which that dependent claim refers or
09:00:17 3 depends is not infringed, there cannot be infringement of
09:00:21 4 that dependent claim.

09:00:23 5 On the other hand, if you find that an independent
09:00:26 6 claim has been infringed, you must still decide separately
09:00:30 7 whether the product or process meets the additional
09:00:33 8 requirements set forth in a dependent claim to determine
09:00:38 9 whether that dependent claim has been infringed.

09:00:40 10 In this case, Claim 2 of the '594 patent,
09:00:47 11 Claims 14 and 15 of the '137 patent, and Claim 7 of the
09:00:55 12 '655 patent, and Claim 10 of the '873 patent recite method
09:01:00 13 claims.

09:01:00 14 Direct infringement of a method claim occurs where
09:01:04 15 all the steps of the claimed method are performed by or
09:01:11 16 attributable to a single party.

09:01:13 17 Direct infringement of a method claim can occur
09:01:16 18 where the Defendant performs certain steps of the method
09:01:18 19 and others are performed by equipment that the Defendant
09:01:21 20 controls but that it is in the hands of third parties.

09:01:25 21 Claims 1 and 2 of the '137 patent, Claims 4 and 5
09:01:32 22 of the '481 patent, and Claim 5 of the '655 patent, as well
09:01:37 23 as Claim 8 of the '7 -- excuse me, the '873 patent all
09:01:42 24 recite device or system claims.

09:01:45 25 To use a system for purposes of infringement,

09:01:49 1 Supercell must put the invention into service, that is,
09:01:53 2 control the system as a whole and obtain the benefit from
09:01:57 3 it.

09:01:58 4 GREE, the Plaintiff, also alleges that the def --
09:02:04 5 that the Defendant, Supercell, is liable for indirect
09:02:06 6 infringement by actively inducing its users to -- to
09:02:11 7 directly infringe the asserted claims.

09:02:15 8 As with direct infringement, you must determine
09:02:17 9 whether there has been induced infringement on a
09:02:20 10 claim-by-claim basis.

09:02:22 11 Supercell is liable for infringed -- excuse me,
09:02:28 12 induced infringement of a claim only if GREE proves by a
09:02:32 13 preponderance of the evidence that:

09:02:35 14 (1) the acts have been carried out by Supercell's
09:02:38 15 users and directly infringe that claim;

09:02:41 16 (2) Supercell has taken action intending to cause
09:02:45 17 the infringing acts by its users;

09:02:49 18 And (3) Supercell has been aware of the accused
09:02:58 19 patents and has known that the acts of its users constitute
09:03:03 20 infringement of the asserted patents or was willfully blind
09:03:05 21 to that infringement.

09:03:06 22 To establish induced infringement, it's not
09:03:10 23 sufficient that someone else directly infringes a claim,
09:03:12 24 nor is it sufficient that the company accused of inducing
09:03:16 25 another's direct infringement merely had knowledge or

09:03:19 1 notice of an asserted patent or had been aware of the acts
09:03:24 2 of another that allegedly constitute direct infringement.

09:03:27 3 And the mere fact that the company accused of
09:03:31 4 inducing another's direct infringement had known or should
09:03:34 5 have known that there was a substantial risk that someone
09:03:37 6 else's acts would infringe is not sufficient.

09:03:40 7 Rather, in order to find inducement, you must find
09:03:45 8 that Supercell specifically intended or was willfully blind
09:03:48 9 to that infringement.

09:03:55 10 GREE also alleges that Supercell is liable for
09:03:58 11 contributory infringement by contributing to the direct
09:04:03 12 infringement of the asserted claims by the players of the
09:04:06 13 accused products. As with direct infringement, you must
09:04:12 14 determine contributory infringement on a claim-by-claim
09:04:15 15 basis.

09:04:15 16 Supercell is liable for contributory infringement
09:04:18 17 of a claim if GREE proves by a preponderance of the
09:04:24 18 evidence:

09:04:24 19 (1) Supercell offers to sell or imports into the
09:04:29 20 United States a component of a product or apparatus for use
09:04:34 21 in a process during the time the asserted patents were in
09:04:39 22 force;

09:04:39 23 (2) the component or apparatus has no substantial
09:04:44 24 non-infringing use;

09:04:45 25 (3) the component or apparatus constitutes a

09:04:49 1 material part of the invention;

09:04:53 2 (4) Supercell was aware of the asserted patents

09:04:56 3 and knew that the component or apparatus is especially made

09:05:00 4 or adapted for use in -- in -- adapted for use as an

09:05:05 5 infringement of the claim;

09:05:09 6 And (5) the players of the accused products used

09:05:12 7 the component or apparatus to directly infringe the claim.

09:05:15 8 In this case, GREE also contends that Supercell

09:05:20 9 willfully infringed its patents. If you have decided that

09:05:26 10 Supercell has infringed, you must go on and separately

09:05:30 11 address the additional issue of whether or not Supercell's

09:05:37 12 infringement was willful.

09:05:38 13 GREE must prove willfulness by a preponderance of

09:05:41 14 the evidence. In other words, you must determine whether

09:05:43 15 it is more likely than not that Supercell willfully

09:05:47 16 infringed.

09:05:49 17 You may not determine that the infringement was

09:05:51 18 willful just because Supercell knew of the asserted patents

09:05:55 19 and infringed them. However, you may find that Supercell

09:05:59 20 willfully infringed if you find that it acted egregiously,

09:06:05 21 willfully, or wantonly. You may find Supercell's actions

09:06:09 22 were egregious, willful or wanton if it acted in reckless

09:06:13 23 or callous disregard of or with indifference to the rights

09:06:18 24 of GREE.

09:06:18 25 A Defendant is indifferent to the rights of

09:06:22 1 another when it proceeds in disregard of a high or
09:06:27 2 excessive danger of infringement that was known to it or
09:06:31 3 was apparent to a reasonable person in its position.

09:06:35 4 Your determine -- your determination of
09:06:45 5 willfulness should incorporate the totality of the
09:06:45 6 circumstances based on all of the evidence presented during
09:06:47 7 the course of the trial.

09:06:49 8 Willfulness can be established by circumstantial
09:06:52 9 evidence. If you decide that there was willful
09:06:54 10 infringement, that decision should not affect any damage
09:06:59 11 award that you might render in this case.

09:07:03 12 I'll now instruct you on the rules that you must
09:07:05 13 follow in deciding whether or not Supercell has proven by
09:07:11 14 clear and convincing evidence that the asserted claims of
09:07:13 15 the asserted patents are invalid.

09:07:15 16 An issued United States patent is accorded a
09:07:21 17 presumption of validity based on the presumption that the
09:07:24 18 U.S. Patent and Trademark Office, which you've heard
09:07:27 19 referred to throughout this trial as the PTO or as the
09:07:31 20 Patent Office, acted correctly in issuing the patent.

09:07:35 21 This presumption of validity extends to all issued
09:07:39 22 United States patents. In order to overcome this
09:07:45 23 presumption, Supercell must establish by clear and
09:07:48 24 convincing evidence that the pat -- that the Plaintiff's
09:07:51 25 patent or any claim in the patent is not valid.

09:07:58 1 Even though the Patent and Trademark Office's
09:08:01 2 examiner has allowed the claims of a patent, you have the
09:08:04 3 ultimate responsibility, ladies and gentlemen, for deciding
09:08:08 4 whether the claims of the patent are valid.

09:08:09 5 Like infringement, invalidity is determined on a
09:08:14 6 claim-by-claim basis. Claims are construed in the same way
09:08:18 7 for determining infringement as for determining invalidity.

09:08:23 8 You must apply the claim language consistently and
09:08:26 9 in the same manner for both the issues of infringement and
09:08:26 10 for the issues of invalidity. You must determine
09:08:30 11 separately for each claim whether the claim is invalid.

09:08:36 12 If one asserted claim is invalid, this does not
09:08:39 13 mean that any other asserted claim is necessarily invalid.
09:08:44 14 However, if a dependent claim is invalid, then the
09:08:48 15 independent claim from which it depends is also invalid.

09:08:52 16 As I previously explained, to obtain a patent, one
09:08:58 17 must first file an application with the U.S. Patent and
09:09:02 18 Trademark Office, the PTO. The process of obtaining a
09:09:05 19 patent is called patent prosecution.

09:09:08 20 The application submitted to the PTO includes
09:09:12 21 within it what's called a specification. The specification
09:09:17 22 is required to contain a written description of the claimed
09:09:20 23 invention telling what the invention is, how it works, how
09:09:25 24 to make it, and how to use it.

09:09:27 25 The patent law contains certain requirements for

09:09:31 1 the part of the patent called the specification. The
09:09:34 2 written description requirement is designed to ensure that
09:09:39 3 the inventor was in possession of the full scope of the
09:09:42 4 claimed invention as of the patent's effective filing date.

09:09:46 5 Supercell contends in this case that the asserted
09:09:51 6 claims of GREE's '873 patent are invalid because the
09:09:55 7 specification of the '873 patent does not contain an
09:10:00 8 adequate written description of the invention.

09:10:03 9 To succeed on this, Super -- Supercell must show
09:10:08 10 by clear and convincing evidence that a person having
09:10:10 11 ordinary skill in the field reading the patent
09:10:14 12 specification as of the effective date of February the
09:10:19 13 26th, 2013, would not have recognized that it describes the
09:10:24 14 full scope of the invention as it is claimed in the claims
09:10:27 15 of the '873 patent. If a patent claim lacks adequate
09:10:35 16 description, it is invalid.

09:10:37 17 In deciding whether a patent satisfies this
09:10:42 18 written description requirement, you must consider the
09:10:45 19 description from the viewpoint of a person having ordinary
09:10:48 20 skill in the field of the technology of the patent as of
09:10:52 21 the effective filing date.

09:10:55 22 The specification must describe the full scope of
09:10:58 23 the claimed invention, including each element thereof,
09:11:01 24 either expressly or inherently.

09:11:05 25 A claimed element is disclosed inherently if a

09:11:08 1 person having ordinary skill in the field of the patent as
09:11:12 2 of the effective date, would have understood that the
09:11:15 3 element is necessarily present in what the specification
09:11:19 4 discloses. It's not sufficient that the specification
09:11:23 5 discloses only enough to make the claimed invention obvious
09:11:27 6 to the person having ordinary skill.

09:11:29 7 The written description does not have to be in the
09:11:34 8 exact words of the claim. The requirement may be satisfied
09:11:38 9 by any combination of words, structures, figures, diagrams,
09:11:43 10 formulas, et cetera, contained in the patent specification.

09:11:51 11 Adequate written description does not require
09:11:53 12 either examples or an actual reduction to practice of the
09:11:57 13 claimed invention.

09:11:59 14 However, a mere wish or plan for obtaining a
09:12:02 15 claimed invention is not an adequate written description.
09:12:07 16 Rather, the level of disclosure required depends on a
09:12:10 17 variety of factors, such as the existing knowledge in the
09:12:13 18 particular field, the extent and content of the prior art,
09:12:17 19 the maturity of the science or technology, and other
09:12:20 20 considerations appropriate to the subject matter.

09:12:23 21 Now, at times, you'll hear me make references to
09:12:29 22 prior art. In patent law, a previous device, system,
09:12:35 23 method, publication, or patent that predates the claimed
09:12:41 24 invention is generally called prior art. It's sometimes
09:12:44 25 called a prior art reference. Prior art may include any of

09:12:48 1 the following items:

09:12:50 2 (1) Any products or system that was known or used

09:12:55 3 by others in the United States before the patented

09:12:58 4 inventions were made;

09:13:00 5 (2) any patent that issued or any printed

09:13:03 6 publication that published or -- that was published or any

09:13:08 7 patent that was issued anywhere in the world before the

09:13:12 8 patented inventions were made;

09:13:14 9 (3) any product or system that was in public use

09:13:19 10 or on sale in the United States more than one year before

09:13:22 11 the applications for the asserted patents were filed;

09:13:26 12 (4) any patents that issued or any pub -- any

09:13:32 13 printed publications that were published anywhere in the

09:13:35 14 world more than one year before the application for the

09:13:39 15 asserted patents were filed;

09:13:42 16 (5) any patent application that was filed in the

09:13:45 17 United States by someone other than the inventors of the

09:13:49 18 asserted patents before the invention was made.

09:13:50 19 Now, the earliest possible priority dates of the

09:13:57 20 asserted patents in this case are as follows:

09:13:59 21 March 4, 2013, for the '481 patent.

09:14:03 22 March 4, 2013, for the '137 patent.

09:14:07 23 September 20, 2012, for the '655 patent.

09:14:10 24 February 26, 2013, for the '873 patent.

09:14:16 25 In order for someone to be entitled to a patent,

09:14:20 1 the invention must actually be new and not obvious over
09:14:25 2 what came before, which is referred to as the prior art.

09:14:30 3 Prior art is considered in determining whether the
09:14:32 4 asserted claims of the asserted patents are -- are -- are
09:14:37 5 anticipated or are obvious.

09:14:38 6 Now, you have heard evidence of prior art that the
09:14:44 7 Patent Office may or may not have evaluated. The fact that
09:14:50 8 any particular reference was or was not considered by the
09:14:54 9 Patent Office does not change Supercell's burden of proof.

09:14:58 10 However, in making your decision as to whether
09:15:00 11 Supercell has met its burden of proof by clear and
09:15:04 12 convincing evidence as to a particular patent claim, you
09:15:08 13 may take into account the fact that the prior art was not
09:15:12 14 considered by the Patent Office.

09:15:14 15 Prior art differing from the prior art considered
09:15:17 16 by the Patent Office may, but does not always, carry more
09:15:22 17 weight than the prior art that was considered by the Patent
09:15:24 18 Office.

09:15:28 19 Again, ladies and gentlemen, the ultimate
09:15:29 20 responsibility for deciding whether the claims of the
09:15:32 21 patent are valid is up to you, the members of this jury.

09:15:36 22 Keep in mind that everyone has the right to use
09:15:42 23 existing knowledge and principles. A patent cannot remove
09:15:45 24 from the public the availability to use what was known or
09:15:47 25 obvious before the invention was made or patent protection

09:15:53 1 was sought.

09:15:53 2 Infringement, like -- excuse me.

09:15:58 3 Like infringement, invalidity is determined on a
09:16:00 4 claim-by-claim basis. In making your determination as to
09:16:04 5 invalidity, you should consider each claim separately.

09:16:08 6 If one claim of a patent is invalid, that does not
09:16:11 7 mean that any other claim is necessarily invalid. Claims
09:16:17 8 are construed the same way for determining infringement as
09:16:19 9 for determining invalidity.

09:16:22 10 Supercell, the Defendant, contends that the '137,
09:16:27 11 the '481, the '655, and the '837 [sic] patents are invalid
09:16:33 12 as being either anticipated or as being obvious.

09:16:38 13 Anticipation must be determined on a
09:16:43 14 claim-by-claim basis. Supercell must prove by clear and
09:16:46 15 convincing evidence that all of the requirements of a claim
09:16:49 16 are present in a single piece of prior art.

09:16:54 17 To anticipate the invention, the prior art does
09:16:57 18 not have to use the same words as in the claim, but all the
09:17:02 19 requirements of the claim must have been disclosed and
09:17:06 20 arranged as in the claim.

09:17:09 21 The claim requirements may either be disclosed
09:17:13 22 expressly or inherently, that is, necessarily implied, such
09:17:17 23 that a person having ordinary skill in the art in the
09:17:19 24 technology of the invention looking at that one single
09:17:25 25 reference could make and use the claimed invention.

09:17:28 1 Where Supercell is relying on prior art that was
09:17:32 2 not considered by the Patent Office during the examination,
09:17:38 3 you may consider whether that prior art is significantly
09:17:41 4 different and more relevant than the prior art that the
09:17:45 5 PTO, the Patent Office, did consider.

09:17:48 6 If you decide it is different and more relevant,
09:17:51 7 you may weigh that prior art more heavily when considering
09:17:58 8 whether the challenger has carried its clear and convincing
09:18:04 9 burden of proof as to invalidity.

09:18:05 10 If a dependent claim is anticipated by the prior
09:18:07 11 art, then the claims from which it depends are necessarily
09:18:13 12 anticipated, as well.

09:18:16 13 Additionally, even though an invention may not
09:18:20 14 have been identically disclosed or described before it was
09:18:23 15 made by an inventor in order to be patentable, the
09:18:28 16 invention also must not have been obvious to a person of
09:18:32 17 ordinary skill in the field of technology of the patent at
09:18:35 18 the time the invention was made or before the filing date
09:18:40 19 of the patent.

09:18:43 20 Supercell is required to establish that a patent
09:18:46 21 claim is invalid by showing by clear and convincing
09:18:48 22 evidence that the claimed invention would have been obvious
09:18:57 23 to persons having ordinary skill in the art at the time the
09:19:00 24 invention was made or patent was filed in the field of the
09:19:03 25 invention.

09:19:04 1 In determining whether a claimed invention is
09:19:07 2 obvious, ladies and gentlemen, you must consider the level
09:19:09 3 of ordinary skill in the field of the invention that
09:19:12 4 someone would have had at the time the invention was made
09:19:16 5 or the patent was filed, the scope and content of the prior
09:19:21 6 art, and any differences between the prior art and the
09:19:23 7 claimed invention.

09:19:24 8 Keep in mind that the existence of each and every
09:19:32 9 element of the claimed invention in the prior art does not
09:19:36 10 necessarily prove obviousness. Most, if not all,
09:19:39 11 inventions rely on the building blocks of prior art.

09:19:43 12 In considering whether a claimed invention is
09:19:45 13 obvious, you may, but you are not required, to find
09:19:49 14 obviousness if you find that at the time of the claimed
09:19:52 15 invention or the patent's filing date there was a reason
09:19:56 16 that would have prompted a person having ordinary skill in
09:19:59 17 the field of the invention to combine the known elements in
09:20:07 18 the way the claimed invention does, taking into account
09:20:10 19 such factors as:

09:20:11 20 (1) Whether the claimed invention was merely the
09:20:14 21 predictable result of using prior art elements according to
09:20:17 22 their known function;

09:20:18 23 (2) whether the claimed invention provides an
09:20:21 24 obvious solution to the known problem in the relevant
09:20:26 25 field;

09:20:26 1 (3) whether the prior art teaches or suggests the
09:20:31 2 desirability of combining elements in the claimed
09:20:35 3 invention, such as where there is a motivation to combine;

09:20:40 4 (4) whether the prior art teaches away from
09:20:44 5 combining elements in the claimed invention;

09:20:46 6 And (5) whether it would have been obvious to try
09:20:49 7 the combinations in the claimed invention, such as where
09:20:53 8 there is a design incentive or market pressure to solve a
09:20:57 9 problem and there are a finite number of identified,
09:21:01 10 predictable solutions, although obvious to try is not
09:21:05 11 sufficient in unpredictable technologies.

09:21:08 12 To -- to find that it renders the invention
09:21:13 13 obvious, you must find that the prior art provided a
09:21:16 14 reasonable expectation of success.

09:21:22 15 In determining whether the claimed invention was
09:21:23 16 obvious, consider each claim separately. Do not use
09:21:26 17 hindsight. In other words, ladies and gentlemen, you
09:21:32 18 should not consider what a person of ordinary skill in the
09:21:34 19 art would know now or what has been learned from the
09:21:37 20 teaching of the asserted patents.

09:21:39 21 In making these assessments, you should take into
09:21:43 22 account any objective evidence, sometimes called secondary
09:21:51 23 considerations, that may shed light on the obviousness or
09:21:54 24 not of the claimed invention, such as:

09:21:58 25 (1) Whether the invention was commercially

09:22:01 1 successful;

09:22:02 2 (2) whether the invention satisfied a long-felt

09:22:05 3 need in the art;

09:22:06 4 (3) whether others had tried and failed to make

09:22:09 5 the claimed invention;

09:22:11 6 (4) whether others invented the claimed invention

09:22:15 7 at roughly the same time;

09:22:17 8 (5) whether there were changes or related

09:22:22 9 technologies or market needs contemporaneous with the

09:22:25 10 claimed invention;

09:22:26 11 (6) whether others in the field praised the

09:22:29 12 claimed invention;

09:22:30 13 And (7), whether others sought or obtained rights

09:22:37 14 to the patent from the patentholder.

09:22:40 15 No factor alone is dispositive, and you must

09:22:43 16 consider the obviousness or non-obviousness of the

09:22:46 17 inventions as a whole. These factors are relevant only if

09:22:49 18 there is a connection or a nexus between the factor and the

09:22:52 19 asserted claims of the asserted patents.

09:22:54 20 Even if you conclude that some of the above

09:22:58 21 indicators have been established, those factors should be

09:23:01 22 considered along with all the other evidence in the case in

09:23:05 23 determining whether Supercell has proved that the claimed

09:23:07 24 invention would have been obvious.

09:23:10 25 In determining whether the claimed invention was

09:23:13 1 obvious, consider each claim separately, but understand
09:23:18 2 that if a dependent claim is obvious, then the claims from
09:23:21 3 which it depends are necessarily obvious, as well.

09:23:25 4 Now, several times in these instructions I
09:23:31 5 referred to a person of ordinary skill in the field of the
09:23:33 6 invention. It's up to you to decide, ladies and gentlemen,
09:23:36 7 the level of ordinary skill in the field of the invention.

09:23:40 8 In deciding the level of ordinary skill -- in
09:23:44 9 deciding what it is, you should consider all the evidence
09:23:47 10 introduced during the course of the trial including:

09:23:52 11 (1) The levels of education and experience of the
09:23:55 12 inventors and other persons working in the field;

09:23:59 13 (2) the types of problems encountered in the
09:24:02 14 field;

09:24:02 15 (3) prior art solutions to those problems;

09:24:06 16 (5) [sic] rapidity with which inventions are made;

09:24:14 17 And (5) the sophistication of the technology.

09:24:18 18 A person of ordinary skill in the art is a
09:24:20 19 hypothetical person who is presumed to be aware of all the
09:24:26 20 relevant prior art at the time of the claimed invention.

09:24:28 21 If you find that GREE has proven that Supercell
09:24:32 22 has infringed any of the asserted claims and that Supercell
09:24:37 23 has failed to show that the asserted claims are invalid,
09:24:41 24 you must then consider the proper amount of damages, if
09:24:44 25 any, to award to GREE.

09:24:46 1 I'll now instruct you about the measure of
09:24:49 2 damages. However, by instructing you on damages, ladies
09:24:54 3 and gentlemen, I am not suggesting which party should win
09:24:56 4 this case on any issue.

09:25:00 5 If you find that Supercell has not infringed any
09:25:03 6 of the asserted claims or that all of the infringed claims
09:25:07 7 are invalid, then GREE is not entitled to any damages.

09:25:12 8 If you award damages, they must be adequate to
09:25:16 9 compensate GREE for any infringement of the asserted claims
09:25:20 10 you may find. You may not award and you must not award
09:25:26 11 GREE more damages than are adequate to compensate it for
09:25:31 12 the infringement, nor should you include any additional
09:25:33 13 amount for the purpose of punishing Supercell.

09:25:37 14 The patent law specifically provides that damages
09:25:40 15 for infringement may not be less than a reasonable royalty.

09:25:46 16 GREE has the burden to establish the amount of its
09:25:50 17 damages by a preponderance of the evidence. In other
09:25:51 18 words, you should award only those damages that GREE
09:25:55 19 establishes that it, more likely than not, suffered as a
09:26:00 20 result of Supercell's infringement of the asserted claims.

09:26:05 21 While GREE is not required to prove the amount of
09:26:07 22 its damages with mathematical precision, it must prove them
09:26:12 23 with reasonable certainty. GREE is not entitled to damages
09:26:17 24 that are remote or are speculative.

09:26:19 25 There are different types of damages that GREE may

09:26:25 1 be entitled to recover.

09:26:26 2 In this case, GREE seeks damages in the form of a
09:26:29 3 reasonable royalty.

09:26:30 4 A reasonable royalty is the amount of royalty
09:26:33 5 payment that a patentholder and the alleged infringer would
09:26:38 6 have agreed to in a hypothetical negotiation taking place
09:26:43 7 at a time immediately prior to when the infringement first
09:26:46 8 began.

09:26:47 9 You've heard references throughout this trial to
09:26:51 10 whether GREE should be entitled to a running royalty or a
09:26:56 11 lump sum royalty. If you -- if you find that GREE is
09:26:59 12 entitled to damages, you must decide whether the parties
09:27:02 13 would have agreed to a running royalty or a fully paid-up
09:27:07 14 lump sum royalty at the time of the hypothetical
09:27:10 15 negotiation.

09:27:10 16 A running royalty is a fee paid for the right to
09:27:14 17 use the patent that is paid for each unit of the infringing
09:27:20 18 products that have been sold. A running royalty can be
09:27:23 19 based on the revenue from or the volume of sales of
09:27:26 20 licensed products.

09:27:28 21 If there are additional units sold in the future,
09:27:32 22 any damages for these sales will not be addressed by you.
09:27:35 23 If you decide that a running royalty is appropriate, then
09:27:38 24 you must -- then the damages you award, if any, should
09:27:42 25 reflect the total amount necessary to compensate GREE for

09:27:46 1 Supercell's past infringement.

09:27:48 2 However, a lump sum royalty is when the infringer
09:27:53 3 pays a single price for a license covering both past and
09:27:57 4 future infringing sales. If you decide that a lump sum
09:28:02 5 royalty is appropriate, then the damages you award, if any,
09:28:06 6 should reflect the total amount necessary to compensate
09:28:11 7 GREE for Supercell's past and future infringement.

09:28:13 8 In determining the reasonable royalty, you should
09:28:18 9 consider all the facts known -- known and available to the
09:28:22 10 parties at the time the infringement began. Some kinds of
09:28:27 11 the factors that you may consider in making your
09:28:30 12 determination are:

09:28:31 13 (1) the value of the claim -- the value that the
09:28:36 14 claimed invention contributes to the accused product;
09:28:40 15 (2) the value that factors other than the claimed
09:28:43 16 invention contribute to the accused product;
09:28:44 17 (3) comparable license agreements or other
09:28:49 18 transactions, such as those covering the use of the claimed
09:28:52 19 invention or similar technology;
09:28:54 20 (4) the utility and advantages of patented
09:29:01 21 property over the old modes or devices, if any, that had
09:29:05 22 been used for working out similar results;
09:29:07 23 (5) the nature of the patented invention, the
09:29:11 24 character of the commercial embodiment of it as owned and
09:29:15 25 produced by the licensor, and the benefits to those who

09:29:17 1 have used the invention;

09:29:19 2 (6) the extent to which the infringer has made use

09:29:22 3 of the invention and any evidence probative of the value of

09:29:26 4 that use;

09:29:26 5 (7) the portion of the realizable profits that

09:29:31 6 should be credited to the invention as distinguished from

09:29:35 7 the non-patented elements, the manufacturing process,

09:29:39 8 business risks, or significant features or improvements

09:29:42 9 added by the infringer;

09:29:44 10 And (8) the amount that a licensor, such as the

09:29:48 11 patentee, and a licensee, such as the infringer, would have

09:29:52 12 agreed upon at the time the infringement began if both had

09:29:57 13 been reasonably and voluntarily trying to reach an

09:29:59 14 agreement, that is, the amount which a prudent licensee who

09:30:06 15 desired as a business proposition to obtain a license to

09:30:09 16 manufacture and sell a particular article embodying the

09:30:12 17 patented invention would have been willing to pay as a

09:30:16 18 royalty and yet be able to make a reasonable profit and

09:30:21 19 which amount would have been acceptable to a prudent

09:30:24 20 patentee who was willing to grant a license.

09:30:26 21 Now, no one of these factors is dispositive,

09:30:31 22 ladies and gentlemen, and you can and should consider all

09:30:34 23 the evidence that's presented to -- been presented to you

09:30:37 24 in this case on each of these factors.

09:30:40 25 You may also consider any other factors which in

09:30:43 1 your mind would have increased or decreased the royalty the
09:30:46 2 alleged infringer would have been willing to pay and the
09:30:49 3 patent owner would have been willing to accept, acting as
09:30:57 4 normally prudent business people.

09:30:59 5 You've heard throughout the trial references to
09:31:03 6 whether the reasonable royalty should be a running royalty
09:31:06 7 or lump sum.

09:31:07 8 If you find that GREE is entitled to damages, you
09:31:09 9 must decide whether the parties would have agreed to a
09:31:13 10 running royalty or a fully paid-up lump sum royalty at the
09:31:16 11 time of the hypothetical negotiation.

09:31:16 12 GREE is entitled to damages for at least as early
09:31:21 13 as the date of first infringement after the issuance of the
09:31:26 14 asserted patents.

09:31:27 15 In addition to seeking damages for alleged
09:31:29 16 infringement after the asserted patents issued, GREE also
09:31:33 17 contends that it should be awarded damages for the '137 and
09:31:38 18 the '655 patents before those two patents issued.

09:31:43 19 To be entitled to damages before the issuance of a
09:31:47 20 patent, GREE must prove that:

09:31:49 21 (1) Supercell had actual notice of a published
09:31:54 22 patent application for that patent;

09:31:56 23 And (2) the asserted claims of the issued patent
09:32:00 24 are substantially identical to the claims of the published
09:32:03 25 application.

09:32:04 1 Actual notice does not require any affirmative act
09:32:09 2 by GREE notifying Supercell of the published patent
09:32:13 3 application and may be proven by circumstantial evidence.

09:32:19 4 The dates on which these damages begin are:

09:32:23 5 For the -- for the '594 patent, June the 11th,
09:32:28 6 2018.

09:32:28 7 For the '137 and '481 patents, September the 12th,
09:32:33 8 2016, or at the latest, March the 28th, 2017.

09:32:37 9 For the '655 patent, September the 12th, 2016, or
09:32:43 10 at the latest, September the 26th, 2017.

09:32:47 11 And for the '873 patent, December the 12th, 2018.

09:32:51 12 Now, in considering this hypothetical negotiation,
09:32:55 13 you should focus on what the expectations of the
09:32:57 14 patentholder and the alleged infringer would have been had
09:33:02 15 they entered into an agreement at that time and had they
09:33:05 16 acted reasonably in their negotiations.

09:33:07 17 In determining this, you must assume that both
09:33:12 18 believe the asserted claims were valid and infringed, and
09:33:16 19 both parties were willing to enter into an agreement.

09:33:20 20 The reasonable royalty that you determine must be
09:33:23 21 a royalty that would have resulted from the hypothetical
09:33:27 22 negotiation and not simply a royalty that either party
09:33:29 23 would have preferred.

09:33:32 24 The law requires that any damages awarded to GREE
09:33:36 25 correspond to the value of the alleged inventions within

09:33:39 1 the accused products as distinct from other unpatented
09:33:43 2 features of the accused products or other features, such as
09:33:47 3 marketing or advertising or Supercell's size or market
09:33:51 4 position.

09:33:52 5 This is particularly true where the accused
09:33:55 6 products have multiple features and multiple components not
09:33:59 7 covered by the patent or where the accused products work in
09:34:03 8 conjunction with other non-patented items. Therefore, the
09:34:09 9 amount you find as damages must be on the value
09:34:15 10 attributable to the patented technology alone.

09:34:18 11 Now, ladies and gentlemen, having given you these
09:34:21 12 instructions, we will proceed to hear closing arguments
09:34:23 13 from the parties.

09:34:24 14 Plaintiff, you may now present your first closing
09:34:27 15 argument to the jury.

09:34:28 16 MR. MOORE: Thank you, Your Honor.

09:34:28 17 THE COURT: Would you like a warning on your time,
09:34:30 18 Mr. Moore?

09:34:31 19 MR. MOORE: Yes, Your Honor, three minutes -- with
09:34:34 20 three minutes remaining, please.

09:34:36 21 THE COURT: Three minutes remaining out of your
09:34:37 22 total?

09:34:38 23 MR. MOORE: Out of 20, please --

09:34:39 24 THE COURT: Three out of -- so when 17 minutes
09:34:41 25 have been used?

09:34:42 1 MR. MOORE: Yes, sir. Thank you.

09:34:43 2 THE COURT: Okay. Please proceed.

09:34:44 3 MR. MOORE: Thank you.

09:35:10 4 THE COURT: You may proceed when you're ready,

09:35:13 5 counsel.

09:35:13 6 MR. MOORE: Thank you, Your Honor.

09:35:13 7 Good morning, ladies and gentlemen.

09:35:17 8 Thank you very much for your service throughout

09:35:20 9 this trial this past week.

09:35:23 10 On behalf of my client, Mr. Eiji Araki and GREE,

09:35:28 11 and my co-counsel, Ms. Smith, and my law partner,

09:35:35 12 Ms. Ludlam, we thank you very much, and it's been our

09:35:39 13 privilege and honor to present this important case to you.

09:35:43 14 You've all been very attentive, and you've all

09:35:46 15 been very patient with us as we've worked through this

09:35:49 16 trial. And we cannot thank you enough for the civic

09:35:52 17 service that you are rendering in our system of justice,

09:35:56 18 because this is an important case on an important issue in

09:35:58 19 our country's system of justice.

09:36:02 20 Patents are in the U.S. Constitution, as I

09:36:05 21 mentioned in the opening statement, and they're there to

09:36:08 22 protect new ideas.

09:36:09 23 And GREE has had new ideas, new ideas for mobile

09:36:14 24 social games throughout its history and how to make those

09:36:17 25 games more engaging for users that play them. We are here

09:36:22 1 because of five U.S. patents that GREE received on those
09:36:27 2 ideas.

09:36:27 3 And we presented to you GREE's story, how it was
09:36:32 4 founded, what its businesses are.

09:36:34 5 You heard from Mr. Araki, GREE's senior vice
09:36:38 6 president and a member of its board of directors, who has
09:36:40 7 been here at trial the entire time. And you heard him on
09:36:44 8 the witness stand last Friday explain to you all about GREE
09:36:48 9 and what it's about and why innovation is so important to
09:36:52 10 GREE and why GREE files for united -- for patents both in
09:36:56 11 the United States and around the world, to protect its
09:36:59 12 inventions, its innovations, and protect them from
09:37:03 13 competition in the industry.

09:37:04 14 And we've also seen and heard that four of these
09:37:11 15 five patents, they went through an extensive examination
09:37:14 16 process in the United States Patent Office. In fact, four
09:37:17 17 different patent examiners looked at the applications that
09:37:22 18 GREE filed for these patents, and that was after it went
09:37:25 19 through five levels of internal approval in the first
09:37:28 20 place.

09:37:29 21 These expert examiners at the Patent Office
09:37:32 22 searched for the prior art and made sure that the patents
09:37:34 23 deserved to be protected. And at the end of that process,
09:37:39 24 each of those four examiners concluded that GREE's
09:37:42 25 inventions were new and worthy of protection under United

09:37:45 1 States law.

09:37:45 2 And you've heard a lot about these five patents
09:37:50 3 throughout this case. You've heard all about what they
09:37:54 4 relate to, what their claims are, and how they're involved
09:37:57 5 in the gaming industry, such as the '594 template patent,
09:38:02 6 which allows players of certain types of games, these city
09:38:06 7 building games, to save a lot of time by copying and saving
09:38:11 8 different types of layouts, including from other players,
09:38:15 9 rather than spending the time, upwards of 20, 30 minutes to
09:38:20 10 do it themselves.

09:38:22 11 It helps them -- keep them engaged in the game,
09:38:24 12 helps the use more -- users more interested. It also helps
09:38:28 13 the game maker retain more users, which as you've heard is
09:38:32 14 a benefit to the game makers, as well, by having more users
09:38:36 15 play their games and some portion of them decide they want
09:38:38 16 to pay to play the games more.

09:38:41 17 The '137 and '481 battle patents, you've heard how
09:38:45 18 these make these card battle games more interesting and
09:38:49 19 engaging, and they do that through a fairly complex series
09:38:52 20 of mechanics for how the points are handled, how resources
09:38:57 21 are allocated in the game, how cards are played and
09:38:59 22 updated, and how the battle takes place.

09:39:02 23 You've heard about the '655 donation patent, which
09:39:05 24 increases social engagement in games. You've heard a lot
09:39:09 25 of testimony about keeping players engaged and keeping them

09:39:13 1 social, making them make friends, making them interact in
09:39:17 2 groups or clans; really helps the engagement of the
09:39:22 3 players, makes them enjoy the game. And, again, it also
09:39:24 4 helps the makers of the game add more users in the game.

09:39:26 5 And the donation patent has systems and methods
09:39:29 6 that do that by encouraging gifting among users,
09:39:34 7 encouraging one user to give to another, and then giving
09:39:37 8 the recipient an incentive to perhaps encourage the
09:39:40 9 receiver of the gift to do the same thing in return.

09:39:43 10 And, lastly, you heard about the '873 patent and
09:39:46 11 how it increases the user playability and engagement of
09:39:52 12 shooting games on a small touchscreen, how it helps the
09:39:55 13 controls work so that these games actually work on your
09:39:58 14 phone, and how that helps players be more engaged and more
09:40:02 15 interested and also helps the makers of the games, as well.

09:40:05 16 Now, GREE played by the rules. When it came up
09:40:10 17 with new ideas, it sought patents, and it got those
09:40:13 18 patents.

09:40:13 19 Supercell did not play by the rules, and that's
09:40:16 20 what this case is about. We're ask -- we're going to ask
09:40:19 21 you to hold Supercell responsible for that decision.

09:40:22 22 Now, the trial started off last week after you
09:40:27 23 were selected and sworn in and we presented our opening
09:40:32 24 statements, the trial started off with us addressing why we
09:40:34 25 are all here. As His Honor told you the very first day

09:40:40 1 when all of you, along with many others, were gathered out
09:40:46 2 there in the audience, this is a patent infringement case.

09:40:48 3 So what did we do? Our very first witness came up
09:40:51 4 on the stand to talk about patent infringement, Dr. Robert
09:40:54 5 Akl. And he testified, I think, for over five hours last
09:40:58 6 Thursday afternoon, Friday morning, into Friday afternoon.
09:41:01 7 It was a long time on the stand. I was tired, I'm sure he
09:41:06 8 was tired, no doubt many of you may have been tired, as
09:41:08 9 well.

09:41:09 10 But why did we do that? We did that because we
09:41:12 11 wanted to show you beyond any doubt that Supercell
09:41:15 12 infringes each of GREE's five patents.

09:41:18 13 And we took the time to do that. We took the time
09:41:21 14 in our case, nearly half of the time that we spent in our
09:41:25 15 case under the time we were allotted was spent on this
09:41:28 16 question of infringement, and we showed you exhaustive
09:41:32 17 evidence of that.

09:41:33 18 We showed you the games. We showed you many
09:41:35 19 videos. We -- we paused them. We played them over again.
09:41:39 20 We wanted you to understand how these games work and why
09:41:42 21 they infringe. And we showed you each and every word of
09:41:44 22 the 10 patent claims in the five patents that we are here
09:41:47 23 to prove that Supercell infringes.

09:41:49 24 We also showed you their source code. And as you
09:41:55 25 saw, that was -- involved a little bit more than showing

09:41:57 1 the videos. We had to seal the courtroom. We had to get
09:42:01 2 out paper, present it on the ELMO, I had to move it around.
09:42:04 3 And Dr. Akl walked through the source code for each of
09:42:07 4 the -- that was relevant to each of the three games that
09:42:10 5 infringe GREE's five patents. And he showed you where in
09:42:13 6 the code Supercell has GREE's patented technology. He
09:42:18 7 showed you that in detail.

09:42:19 8 And you heard a lot about source code in this
09:42:22 9 trial and why it is important.

09:42:25 10 This is testimony from Supercell's own expert,
09:42:29 11 Dr. Mark Claypool, who was one of the witnesses who
09:42:32 12 testified by video.

09:42:33 13 And Dr. Claypool I thought perhaps said it best:
09:42:39 14 To know what the game is really doing, you look at the
09:42:42 15 code.

09:42:42 16 And that's what we did, and we showed you that,
09:42:46 17 and we showed you that infringement that Supercell has by
09:42:51 18 having GREE's inventions in its code.

09:42:53 19 Now, what did Supercell bring? It had four
09:42:56 20 Supercell witnesses testify at this trial, one live, and
09:43:00 21 three by video.

09:43:01 22 Mr. Harper, who came in for a brief time last
09:43:04 23 Monday and took the stand and is on the board, doesn't know
09:43:09 24 anything about source code.

09:43:09 25 Mr. Joas, who is the game lead for Clash of Clans,

09:43:13 1 admitted he doesn't know anything about source code.

09:43:15 2 Mr. Ahlgren, the game lead for Clash Royale, also
09:43:22 3 admitted doesn't know anything about source code.

09:43:24 4 These are the people who lead the teams, who write
09:43:26 5 the code and program the games, the most important evidence
09:43:30 6 in the case, and Supercell presented nothing from them.

09:43:32 7 Now, its fourth witness, Mr. Franzas, did know
09:43:37 8 about the source code for Brawl Stars, but I think it's
09:43:39 9 important what he said. As he testified, he testified that
09:43:44 10 the code works exactly how Dr. Akl describes it.

09:43:47 11 And this is one example of that testimony where he
09:43:50 12 said that a particular source code function had to be
09:43:53 13 called in order for an enemy to hit -- be hit in the Brawl
09:43:58 14 Stars game.

09:43:59 15 Nobody else walked through that door or showed up
09:44:02 16 on the video screen from Supercell to talk about the most
09:44:05 17 important evidence in the case.

09:44:06 18 So what did Supercell do instead? They presented
09:44:10 19 a number of excuses on the question of infringement. They
09:44:14 20 played some word games, they pointed you to some of the
09:44:17 21 figures in the patents, and they ignored a very important
09:44:20 22 instruction from the Court you just heard, and I'll walk
09:44:26 23 through examples of each of those.

09:44:27 24 The instruction that you just heard relates to
09:44:32 25 this question of comprising. And "comprising" is a term

09:44:42 1 that is in each of the patents.

09:44:44 2 What that means is that the patent claim lists
09:44:48 3 the -- the minimum checklist. All of the words in the
09:44:52 4 claim must be present for there to be infringement, but
09:44:56 5 there could be other things. So this is just the minimum
09:44:58 6 of what the product must do. If you do that minimum
09:45:01 7 checklist, you infringe.

09:45:02 8 And when you get back to the jury room and receive
09:45:04 9 your copy of the final jury instructions, I would like to
09:45:07 10 ask you to look on the top of Page 11 of those
09:45:10 11 instructions, because that's where this instruction is
09:45:12 12 found.

09:45:12 13 And there's an example that follows that says --
09:45:16 14 and His Honor just read it -- if you take a claim that
09:45:19 15 covers the invention of a table, if -- if the claim recites
09:45:23 16 a tabletop, four legs, and nails that hold them together,
09:45:25 17 then the claim covers any table that contains those
09:45:28 18 structures, even if it also has other things, like leaves
09:45:32 19 or wheels.

09:45:33 20 So, in other words, the table with the structure
09:45:39 21 in the claim infringes the claim. If you put wheels on the
09:45:46 22 table, it still infringes the claim. You don't get out of
09:45:49 23 an infringement by doing something else. If you infringe,
09:45:52 24 you infringe. If you infringe even once, you infringe. If
09:45:55 25 other times you don't infringe but you've infringed before,

09:45:59 1 you still infringe.

09:46:00 2 And if I get a speeding ticket, I can't go to
09:46:04 3 court and say, well, I wasn't speeding yesterday. That
09:46:07 4 doesn't get me out of a speeding ticket. It's the same
09:46:10 5 thing with infringement. If you infringe, you infringe,
09:46:13 6 even if sometimes you do other things.

09:46:14 7 And that's what we heard from Supercell in this
09:46:19 8 case. For example, they spent a lot of time talking about
09:46:23 9 Clash of Clans and how when you use the copy layout
09:46:26 10 feature, sometimes you might get this pop-up, and that's
09:46:29 11 because there's some buildings that aren't in your
09:46:32 12 inventory that your clan mate may have.

09:46:35 13 Well, you heard there's plenty of times that this
09:46:38 14 pop-up doesn't happen. And all those times there's
09:46:40 15 infringement. The game infringes because it infringes,
09:46:42 16 even if other times maybe it doesn't infringe. This pop-up
09:46:48 17 is the wheels on Supercell's table.

09:46:50 18 And now, we don't agree with this. As Dr. Akl
09:46:54 19 explained, the pop-up also infringes. But the point is
09:46:58 20 they infringe, regardless. The pop-up doesn't always
09:47:03 21 happen, and when it does, it's the wheels on their table.

09:47:05 22 The word games they played are maybe exemplified
09:47:11 23 best by an argument they made that in Clash of Clans. When
09:47:14 24 you apply the layout editor, after you've moved a building,
09:47:19 25 that the building does not move. And they said that.

09:47:19 1 There's no moving in Claim 1 because the -- when you --
09:47:22 2 when you change the layout, it first goes blank and then
09:47:26 3 the new layout then comes up.

09:47:28 4 Well, even Dr. Claypool couldn't keep up those
09:47:32 5 word games. He said: They are moved to a different
09:47:34 6 location.

09:47:34 7 And so there's infringement of the '594 patent
09:47:36 8 based on Supercell's own expert.

09:47:41 9 On the battle patents, one of the contentions that
09:47:43 10 Supercell made was that you can select Elixir even if the
09:47:48 11 amount of -- sorry, you can select a card, even if the
09:47:51 12 amount of cost of the card is greater than the amount of
09:47:55 13 Elixir you have, and that that doesn't mean the less than
09:47:57 14 or equal to claim requirement.

09:48:05 15 But Mr. Ahlgren, its own game lead, didn't agree
09:48:06 16 with that. He said: You can only play a card when its
09:48:09 17 cost is less than or equal to.

09:48:12 18 And the basis for their argument otherwise is it's
09:48:14 19 saying that their own expert called Future Play, but even
09:48:17 20 he admitted Future Play rarely happens. You don't do it
09:48:21 21 all the time. Most of the time when you go to select a
09:48:24 22 card, if you don't have enough Elixir, it says: You don't
09:48:27 23 have enough Elixir. If you do, then it plays the card.

09:48:30 24 Only in a very rare situation because of the delay
09:48:32 25 between the phone and the server, the -- the game might let

09:48:35 1 you actually bring the card out, but even then, it waits to
09:48:40 2 drop it down until you have enough Elixir.

09:48:42 3 Well, Clash Royale infringes regardless of Future
09:48:46 4 Play. It infringes because they infringe. They infringe
09:48:48 5 every time Future Play doesn't come up. Future Play is the
09:48:52 6 wheels on their table. And that's a distraction from the
09:48:56 7 question of infringement.

09:48:57 8 On the sequence question, you heard some testimony
09:49:01 9 about this yesterday. Supercell tried to persuade you that
09:49:03 10 Clash Royale doesn't subtract before it adds, but you heard
09:49:08 11 Dr. Akl explain through the source code all they're
09:49:10 12 pointing to is a timer that tells you when the next Elixir
09:49:15 13 is going to come. That's what the code says. That's what
09:49:18 14 the best evidence shows. So there's infringement of the
09:49:22 15 battle patents, as well.

09:49:23 16 For the '655 donation patent, we spent a lot of
09:49:27 17 time looking at Figure 7b, which is a flowchart, and
09:49:27 18 particularly, the bottom of that. Again, we don't look at
09:49:30 19 figures for infringement. We look at the claims. Every
09:49:33 20 word in the claim must be present, and that's what we
09:49:36 21 compare to the product.

09:49:39 22 So it doesn't matter if the product exact -- works
09:49:43 23 exactly like a figure. It matters if it has every word in
09:49:46 24 the claims. And that's what we showed you.

09:49:47 25 All of their arguments about the '655 patent are

09:49:50 1 wheels. The argument that a player has to spend gold in
09:49:54 2 order to upgrade a card, that's wheels. It doesn't matter.

09:49:58 3 There's still infringement even if they have to do that.

09:50:01 4 The minimum checklist is met in Clash Royale.

09:50:04 5 And you'll see this instruction, as well, Page 19.

09:50:10 6 As His Honor just said, the only correct comparison is

09:50:13 7 between the products and the language of the claim, not the

09:50:16 8 figures. Not anything else in the patent.

09:50:20 9 There's infringement of the '655, as well.

09:50:21 10 Now, on the '873 patent, they point to the fact

09:50:27 11 that this brawler Shelly is only one of 39 brawlers. But

09:50:33 12 she's the first one every player uses. And the game

09:50:36 13 infringes because they use her and the cone that is the

09:50:38 14 shooting effective range. That's the table. These other

09:50:41 15 38 brawlers are the wheels.

09:50:42 16 Now, many of them also infringe because they have

09:50:44 17 the same type or a similar type of shooting range. But

09:50:52 18 Shelly is the table. That's what everyone uses. The game

09:50:53 19 infringes. They infringe because they infringe even if

09:50:57 20 they have wheels on the table.

09:50:58 21 They also argue that somehow touch doesn't mean

09:51:01 22 touch; that -- that there's not a touch operation because

09:51:04 23 you've actually got to touch and -- and drag your finger or

09:51:08 24 swipe your finger in order to move this cone around.

09:51:12 25 Well, that's touching. This is a touchscreen.

09:51:14 1 You touch the screen. Even if you end up dragging your
09:51:17 2 finger or swiping, that's still a touch operation. Touch
09:51:20 3 means touch. You touch the game to play it. And when you
09:51:23 4 do that, that cone moves exactly in the direction of your
09:51:27 5 finger. You saw that slow-motion video.

09:51:29 6 And the claim doesn't -- as the Court has
09:51:32 7 interpreted, the claim does not require that the cone
09:51:34 8 come -- that -- that the -- your finger be on your player.
09:51:38 9 It can be off to the right, as long as the cone from the
09:51:42 10 player moves in the direction your finger moves. And
09:51:44 11 that's exactly what Dr. Akl showed.

09:51:46 12 They also for this one focus on the figures. They
09:51:50 13 showed you this Figure 5 a lot with the targeting circle.
09:51:53 14 And I think they're doing that because they want you to
09:51:55 15 think that they found some old videos on YouTube that --
09:51:55 16 where they were some older shooting games that also shoot
09:51:55 17 targeting circles.

09:52:03 18 But the patent is not just relating to a targeting
09:52:05 19 circle. It's the claims that matter. Don't be fooled by
09:52:10 20 their arguments about the figures.

09:52:11 21 And so on the question of infringement, we will
09:52:13 22 ask that you check "yes" and find that Supercell infringes.

09:52:18 23 The question is: Do they infringe any of the
09:52:20 24 asserted claims? We believe that we've proven they
09:52:26 25 infringe all 10.

09:52:26 1 THE COURT: 17 minutes have been used.

09:52:28 2 MR. MOORE: Thank you, Your Honor.

09:52:29 3 But if they -- if you find even one infringed,

09:52:31 4 then you should check "yes."

09:52:33 5 On the question of validity, they don't even argue

09:52:35 6 this for the '594 patent. And as you heard, the patent --

09:52:40 7 the other four patents are presumed valid.

09:52:45 8 There is a higher burden of proof of clear and

09:52:47 9 convincing evidence because of the experts at the Patent

09:52:53 10 Office.

09:52:53 11 And what did we not see on the question of

09:52:55 12 invalidity? They presented no source code for any of the

09:52:57 13 prior art games that they relied on. They told you six

09:53:02 14 different games invalidate the patents but showed you no

09:53:04 15 source code. They didn't play any of those games

09:53:06 16 themselves. And as Dr. Akl showed you, a lot of the claim

09:53:11 17 elements are missing.

09:53:13 18 So for this questions, you should check "no" on

09:53:15 19 the question of invalidity.

09:53:16 20 On the question of willfulness, the instruction

09:53:21 21 the Court has just given is that there was willfulness if

09:53:24 22 Supercell acts recklessly or with indifference to GREE's

09:53:28 23 rights. And that's exactly what we've shown you. This is

09:53:32 24 the timeline I've showed you in the opening statement.

09:53:35 25 After Supercell knew of the patent, it very

09:53:37 1 quickly started talking about the copy layout feature
09:53:41 2 internally.

09:53:41 3 And then we saw the internal message -- excuse
09:53:46 4 me -- then they -- we'll show you the internal message
09:53:49 5 where they admit it was in GREE's patent, and then they
09:53:52 6 added the copy layout feature.

09:53:53 7 Now, what was their party line? Their witnesses
09:53:56 8 all sang from the same sheet of music. They all said, we
09:54:01 9 don't monitor GREE or GREE's games of GREE's patents.
09:54:04 10 Mr. Joas, Mr. Ahlgren, Mr. Franzas all answered the same
09:54:09 11 questions.

09:54:10 12 But we showed you Plaintiff's Exhibit 68. They
09:54:12 13 knew about the GREE '594 patent. They knew it covered the
09:54:18 14 copy layout. And they went ahead and put it in the product
09:54:20 15 anyway. And we showed you they knew of all of the other
09:54:23 16 patents, as well, and they went ahead and kept infringing
09:54:26 17 anyway.

09:54:26 18 There was some reference to the right to defend
09:54:29 19 themselves, and anybody's wrongfully accused has that
09:54:33 20 right. And that's certainly true. But we wrote them in
09:54:35 21 2016, and told them that they infringed. They didn't write
09:54:38 22 back and say, well, let me show you how we're wrongfully
09:54:42 23 accused. Let me defend myself now. Here's why we don't
09:54:46 24 infringe. Here's why your patent are invalid. They
09:54:49 25 ignored us.

09:54:50 1 And in 2019, when they signed a license in Japan
09:54:53 2 to all of our patents there, they didn't do the same thing
09:54:56 3 and say, well, let me now sit down and show you why we
09:54:58 4 don't infringe in the United States, why your patents are
09:55:01 5 invalid. They had that right to defend themselves. They
09:55:04 6 made us come here for them to present that. They could
09:55:06 7 have done that a lot earlier.

09:55:08 8 On the question of -- on the question of
09:55:11 9 willfulness, then, we would ask that you check "yes" to
09:55:14 10 that question.

09:55:14 11 On the question of damages, you heard that
09:55:23 12 Supercell makes a lot of revenue on these games in the
09:55:29 13 United States, almost \$1.2 billion from the three games
09:55:34 14 just in the United States.

09:55:35 15 And you heard GREE's evidence on that. GREE
09:55:37 16 presented the best evidence that you saw in this trial on
09:55:41 17 damages, showed the features were important, players liked
09:55:44 18 them, they help engagement.

09:55:47 19 Dr. Neal testified to his survey.

09:55:48 20 Dr. Becker presented a detailed economic analysis.
09:55:51 21 He went through all the evidence, crunched a lot of data,
09:55:52 22 and presented precise royalties for each patent, royalties
09:55:56 23 between .7 and 2.4 percent, and a total royalty of between
09:56:04 24 18-and-a-half million and 24-and-a-half million, again,
09:56:06 25 depending for two of the patents on when you find the first

09:56:10 1 date the royalty should be begin, whether it's the
09:56:13 2 September 26 letter or whether it's the issue or grant date
09:56:18 3 of the patent.

09:56:18 4 And so those are the royalties that we will ask
09:56:22 5 you to fill in on the verdict form. You will see -- and
09:56:27 6 I'll move ahead to this. You will see on the verdict form
09:56:31 7 the question about what sum of money paid in cash would
09:56:34 8 compensate GREE for its -- for damages, and we would ask
09:56:38 9 you to write the larger sum that we presented,
09:56:41 10 \$24,666,002.00.

09:56:47 11 Now, another question will be, what is the form of
09:56:50 12 damages? And that's a question of a lump sum or -- or a
09:56:54 13 running royalty. And on that question, we would ask that
09:56:57 14 you find a reasonable royalty for past sales.

09:57:01 15 And the reason for that, is that allows Supercell
09:57:05 16 to make a decision. Are these features really not that
09:57:09 17 valuable as they say? Because if that's the case, then
09:57:13 18 they can pay us for what they've done. And they can take
09:57:16 19 them out tomorrow, and they cannot pay another dime.

09:57:20 20 But if they are valuable, then they should keep
09:57:24 21 paying for their use of the features, because these patents
09:57:29 22 don't expire for another 14 years.

09:57:33 23 A lump sum would give Supercell 14 years of free
09:57:36 24 infringement. And we think the right result is that they
09:57:39 25 pay for what they use. And if they really don't think the

09:57:42 1 patents are valuable -- or the patented features are
09:57:46 2 valuable, they can take them out of the products tomorrow.

09:57:48 3 You're going to hear from me again following
09:57:53 4 Supercell's argument. And I will have the chance to
09:57:55 5 address you one more time then and to thank you again for
09:57:58 6 your service.

09:57:59 7 But for right now, thank you for listening to me
09:58:01 8 and for listening to our case throughout this trial.

09:58:06 9 THE COURT: Thank you, counsel.

09:58:07 10 Defendant may now present its closing argument to
09:58:11 11 the jury.

09:58:12 12 MR. SACKSTEDER: Thank you, Your Honor.

09:58:13 13 THE COURT: Mr. Sacksteder, would you like a
09:58:20 14 warning on your time?

09:58:21 15 MR. SACKSTEDER: I would, Your Honor. Could you
09:58:24 16 give me a warning at 15 minutes and five minutes.

09:58:26 17 THE COURT: I will.

09:58:28 18 MR. SACKSTEDER: Thank you very much.

09:58:29 19 THE COURT: Please proceed when you're ready.

09:58:31 20 MR. SACKSTEDER: May it please the Court.

09:58:32 21 Good morning, ladies and gentlemen. I haven't had
09:58:35 22 the opportunity to speak directly to you before, though I
09:58:40 23 think you've heard me speak to some of the witnesses in
09:58:44 24 this case.

09:58:44 25 My name is Mike Sacksteder. I grew up in a small

09:58:51 1 town in Southern Indiana, and I have the great honor and
09:58:55 2 privilege to represent Supercell in this case. And I
09:58:57 3 wanted to, on behalf of myself and my team and Supercell,
09:59:01 4 thank you all very much. As the Court has said, as the
09:59:03 5 parties have said, your service is essential to making our
09:59:08 6 system work.

09:59:08 7 I did agree with one thing that you just heard, I
09:59:15 8 agree that patents are in the United States Constitution.

09:59:18 9 But you know what else is in the United States
09:59:21 10 Constitution, the right to a jury trial, the right to stand
09:59:25 11 up to a bully if you don't think you need to knuckle under.
09:59:30 12 If you think that you have defenses to their claims,
09:59:35 13 everyone has the absolute right to take those defenses, the
09:59:41 14 defenses that were called excuses by the Plaintiff,
09:59:46 15 defenses to a jury, and have a jury decide them. And that
09:59:52 16 also is in the United States Constitution, and that is very
09:59:55 17 important.

09:59:55 18 I have a lot to get through, so I'm going to move
10:00:01 19 pretty fast today, and I apologize for that.

10:00:04 20 I want to talk about the experts that you heard
10:00:08 21 from during the trial, and there was some discussion about
10:00:12 22 not hearing about source code.

10:00:14 23 Well, all three of Supercell's technical experts
10:00:16 24 reviewed the source code in this case, so they came and
10:00:20 25 testified that the source code supports exactly what you

10:00:23 1 see on the screen of the phone when the games are
10:00:25 2 operating.

10:00:27 3 And so these three experts provided that
10:00:31 4 testimony, which is what they're here for.

10:00:34 5 I also want to emphasize these are all experts in
10:00:37 6 video games, and indeed in particular areas of video games
10:00:41 7 that are relevant to the patents. And you heard from all
10:00:44 8 three of them.

10:00:44 9 From GREE, you heard from Dr. Akl. He has taught
10:00:50 10 some one-week-long summer camps on video games to children,
10:00:56 11 but he doesn't have any professional video game experience
10:00:59 12 in the industry.

10:01:00 13 What he does have experience with is talking to
10:01:05 14 juries. He's done that in many, many cases, and so that's
10:01:09 15 what he does for a living. He gets paid by the -- his
10:01:14 16 university, but you heard him testify he got paid more
10:01:17 17 money by GREE this year.

10:01:19 18 And when you consider his testimony, I want you to
10:01:22 19 think about a couple of things. One, I want you to think
10:01:24 20 about his demeanor on cross-examination. When I had the
10:01:27 21 opportunity to question him about his theories, he acted
10:01:33 22 differently than he did on direct. He started acting
10:01:37 23 uncomfortable, and I think that's because he knew that we
10:01:40 24 had caught him in some issues with his testimony.

10:01:43 25 And I also want you to think about the consistency

10:01:46 1 of his testimony because there were places where he said
10:01:49 2 one thing, and, in fact, spent a lot of time on one thing.
10:01:53 3 And then he said, oh, don't pay attention to that when we
10:01:55 4 pointed out the problems with what he was saying, and he
10:01:58 5 changed his story.

10:02:00 6 And that should weigh into your consideration of
10:02:02 7 his testimony.

10:02:02 8 All right. I'm going to go through
10:02:05 9 non-infringement of each patent followed by validity of
10:02:07 10 each patent, one patent at a time.

10:02:10 11 You heard in opening that you have to have
10:02:12 12 everything in the claim. I like to say that it takes one
10:02:15 13 needle to pop a balloon when it comes to patent
10:02:19 14 infringement. And you have to have everything, or there is
10:02:23 15 no infringement, and you heard that in your jury
10:02:27 16 instructions, as well.

10:02:28 17 Let's talk about the '137 and '481 patents first.
10:02:30 18 Those have been called the battle patents, and I think that
10:02:33 19 is a complete mischaracterization. They don't cover a
10:02:37 20 battle. They cover a very specific way of determining
10:02:39 21 whether you have enough Elixir or enough mana or enough
10:02:44 22 points to get another card. And you have to perform
10:02:49 23 exactly that specific method in order to infringe any claim
10:02:52 24 of that patent.

10:02:52 25 This is very important from the jury instructions.

10:02:56 1 If a particular sequence is required by the claims, the
10:02:59 2 accused products must follow that sequence. Must, not can.
10:03:06 3 Not, can sometimes and can't sometimes, must. Selection
10:03:10 4 must precede subtraction, and subtraction must precede
10:03:17 5 addition.

10:03:18 6 And Dr. Akl agreed that if that doesn't happen,
10:03:21 7 there is no infringement of all the asserted claims.

10:03:21 8 So he spent 21 minutes of his original direct
10:03:25 9 testimony walking you through a particular video that he
10:03:29 10 said showed infringement, 21 minutes. And then we put him
10:03:34 11 on cross-examination, and we took it frame-by-frame, and we
10:03:38 12 showed that it didn't happen. Remember, selection,
10:03:42 13 subtraction, addition.

10:03:43 14 And you see that in the Elixir bar at the bottom,
10:03:48 15 the Elixir is still going up. It's at 8 here. Dr. Akl has
10:03:51 16 already taken his finger completely off the screen, not
10:03:55 17 only has he selected the card from the tray below, he's
10:03:58 18 played it in the screen, and he's taken his finger off.
10:04:01 19 The Elixir is still going up. Selection, addition,
10:04:05 20 subtraction. Not selection, subtraction, addition.

10:04:08 21 And, finally, it even goes up to 9, it goes up the
10:04:12 22 next full number on the Elixir bar, and it's still adding.
10:04:18 23 So it finally subtracts after that, but it's the wrong
10:04:21 24 sequence, and he admitted that in his testimony.

10:04:23 25 And he said about this video that it was to

10:04:32 1 explicitly show the sequence of how things happen in the
10:04:35 2 game, the sequence, explicitly show it. He spent 21
10:04:40 3 minutes on it. He said, yes. Then he saw that he had a
10:04:44 4 problem with it.

10:04:46 5 So he went and said, oh, wait, the source code
10:04:48 6 doesn't do that. But -- but Mr. Friedman showed you that,
10:04:54 7 yes, the source code does do that, and he walked through
10:04:57 8 it. I'm not going to have time to go through the complete
10:05:00 9 loop here, but he walked through and showed, well, because
10:05:02 10 the system is waiting for messages to be 20 ticks old that
10:05:07 11 addition keeps happening before the subtraction happens.

10:05:09 12 And Dr. Akl then said, oh, wait, that is only a
10:05:13 13 timer; that's not actually adding Elixir. He hadn't said
10:05:16 14 that to you before, but he's wrong. And there's a problem
10:05:19 15 with that testimony, as well, and we'll point that out.

10:05:22 16 So you have this period of time where you have
10:05:24 17 selection, then there's a bunch of addition, and then
10:05:28 18 there's subtraction, and that means that the claim is not
10:05:30 19 satisfied.

10:05:31 20 So when he's talking about -- he tried to
10:05:35 21 rehabilitate himself by saying, well, this is just a timer,
10:05:38 22 and he looked at the source code. And he was asked by
10:05:41 23 counsel for GREE: Is this related to the selection
10:05:46 24 process? And he said: Yes, this is where you actually --
10:05:51 25 key word "deploy" the card, and it's being used, meaning

10:05:54 1 you put it in the field. Not when you select it out of the
10:05:56 2 tray.

10:05:56 3 And he admitted when I cross-examined him that
10:06:03 4 selecting and deploying are two different things, and he
10:06:05 5 relied on the source code for deploying, not the source
10:06:07 6 code for selecting. So he doesn't have evidence to support
10:06:10 7 his position, and it isn't there.

10:06:12 8 Again, particular sequence required by the claims,
10:06:20 9 and he says elsewhere: Selection has not been completed at
10:06:24 10 this point, and the card is removed from the hand of cards
10:06:27 11 at this point. So there's also another sequence that is
10:06:30 12 selection and then removal. He says that selection has not
10:06:36 13 been completed before removal. So it has to be one way or
10:06:40 14 the other, and either way there's no infringement.

10:06:42 15 I'm not going to have a lot of time to go through
10:06:45 16 invalidity. Mr. Friedman talked about the game Magic which
10:06:49 17 was available in the 1990s. He talked about the game
10:06:53 18 BattleForge, which was available in the 2000s, before 2010,
10:06:59 19 and he combined them where he needed to. If there were
10:07:02 20 issues raised by GREE with this, he -- he combined them and
10:07:05 21 showed that it would be obvious to practice the claimed
10:07:08 22 invention.

10:07:09 23 And the videos that we've seen, there's been some
10:07:11 24 complaint about the videos, but those are prior art
10:07:17 25 publications, just like anything else.

10:07:20 1 And one other thing that is not relevant and you
10:07:23 2 heard a lot of from GREE, is that, oh, Supercell didn't do
10:07:27 3 this or GREE didn't do this or the expert wasn't aware of
10:07:30 4 it. None of that matters. It has to have been available
10:07:33 5 to the public. And if it was on a YouTube channel, for
10:07:36 6 instance, it was available to the public.

10:07:37 7 Moving on to the '655 patent. First, you heard
10:07:43 8 late Friday from the inventor on the '655 patent, and he's
10:07:46 9 the only inventor. And, remember, at the beginning of the
10:07:51 10 trial, you were told that these were technologies that
10:07:55 11 added to the enhancement of the video games.

10:07:57 12 This inventor had no technical background
10:07:59 13 whatsoever, and he didn't really know how a server even
10:08:04 14 works, didn't know how a computer stores data. His
10:08:09 15 invention is not technology, ladies and gentlemen.

10:08:14 16 Non-infringement of the '655 patent. The claim
10:08:19 17 requirement is that there has to be display data for
10:08:22 18 selecting a first object from the possessed objects
10:08:26 19 possessed by the first user and selecting a second user
10:08:30 20 from the plurality of users.

10:08:31 21 And Dr. Zagal took you through this where you have
10:08:36 22 a donating user who has no choice. And Dr. Akl admitted
10:08:40 23 this, too. If somebody has requested a card, you don't get
10:08:43 24 to pick the card to give to the person, which is what the
10:08:45 25 claim is talking about. You just have to pick the person,

10:08:50 1 and their response to this is, well, it's -- you're picking
10:08:53 2 the person, so you're picking the card, too. But that's
10:08:56 3 not right. It says you pick a user and you pick an object.

10:08:59 4 Here they are picking a user, but they have no
10:09:04 5 choice whatsoever what card to give to the second user.

10:09:10 6 The other issue with infringement here is that --
10:09:18 7 looking at Claim 7f, the second object is granted when the
10:09:24 8 transfer information of the second user satisfies the
10:09:27 9 condition. And the condition is you get -- you know, I
10:09:30 10 think sometimes it said you need to get 800 cards before
10:09:33 11 you can get an upgrade -- an opportunity to upgrade the
10:09:38 12 card.

10:09:38 13 But all you get is the opportunity, and you have
10:09:40 14 to pay gold. And if you don't have any, you have to
10:09:43 15 acquire some in order to have this be even a possibility.
10:09:48 16 So it doesn't happen when, which is what the claim says,
10:09:53 17 the condition is satisfied.

10:09:55 18 A lot of people played FarmVille. Nobody is
10:10:00 19 saying that that is not a well-known game. And it has, as
10:10:04 20 you heard from Dr. Zagal, the same process.

10:10:07 21 And this on the -- on the right-hand side is
10:10:11 22 actually what the named inventor on the patent said. This
10:10:14 23 is my invention. You have somebody that buys a gift, gives
10:10:17 24 it to somebody else. And if it satisfies a condition, then
10:10:20 25 the somebody else, the recipient, gets something in

10:10:25 1 addition to that. And that's it. You know, that's what he
10:10:27 2 disclosed. That's what FarmVille did. And FarmVille did
10:10:30 3 also everything else that the patent lawyers later put into
10:10:33 4 the patent claims.

10:10:33 5 And Dr. Zagal walked you through that process.

10:10:40 6 The '873 patent, the aim and shoot patent -- first
10:10:48 7 of all, I would like to mention Shelly. Shelly is the
10:10:52 8 first brawler.

10:10:53 9 You just heard an assertion that other brawlers
10:10:58 10 also operate in the same way that Shelly does. There was
10:11:01 11 no evidence -- you didn't hear anything from the witness
10:11:04 12 stand. You didn't see any documents that said, oh, yeah,
10:11:08 13 there are other -- other brawlers that operate that way.
10:11:10 14 So they have 1 out of 38 brawlers that they are accusing of
10:11:16 15 infringement. And Shelly does not infringe.

10:11:18 16 And here's why. And -- and this came up
10:11:25 17 yesterday. This was in Dr. Akl's direct testimony and his
10:11:28 18 cross-examination. The patent requires that the -- the --
10:11:42 19 that the frame is displayed in response to and based on the
10:11:48 20 position of the first touch operation.

10:11:51 21 And Dr. Akl testified both in direct and on cross,
10:11:54 22 and I confirmed it on cross because I was surprised he said
10:11:57 23 it, one of the things he said was that when you move your
10:12:00 24 thumb in a particular direction, then the cone appears in
10:12:06 25 that direction. Did I hear you right?

10:12:08 1 Answer: Yes.

10:12:09 2 Well, the reason that matters is that Dr. Zagal
10:12:12 3 said: Well, position and direction in computer science are
10:12:15 4 two different things, and it has to be based on the
10:12:18 5 position of the first touch operation and not on the
10:12:21 6 direction.

10:12:21 7 And Dr. Akl admitted that it was based on the
10:12:25 8 direction, not the position. So there can't be any
10:12:29 9 infringement.

10:12:29 10 The other issue is that when you touch the screen,
10:12:32 11 you don't even see the frame. There has to be two
10:12:35 12 operations, a first and a second operation, before you even
10:12:38 13 see the cone that is supposed to be the frame in this case.

10:12:42 14 And then a third one, taking your finger off the
10:12:44 15 screen in order to file -- in order to fire.

10:12:48 16 So there was some discussion just now about
10:12:54 17 showing the -- the rifle scope, the target circles in the
10:13:02 18 '873 patent. But those show -- and I agree that -- that
10:13:06 19 the claims are what's important, but those show an
10:13:11 20 embodiment of the claims. So this is at least what the
10:13:14 21 '873 patent says that it covers.

10:13:16 22 When you have a frame indicative of a shooting
10:13:19 23 effective range, the patent says that frame is this target
10:13:23 24 circle. It is this rifle scope that probably many people
10:13:31 25 who have hunted have seen a rifle scope before. And we've

10:13:34 1 also seen it in these two games, Sniper vs. Sniper and Call
10:13:40 2 of Mini Sniper.

10:13:40 3 And the specific way that that scope is displayed
10:13:42 4 in those two prior art games and the specific way that the
10:13:48 5 shooting is done in those prior art games is exactly what
10:13:50 6 is claimed in the patent.

10:13:52 7 The thing that they say is missing is the server
10:13:58 8 apparatus to control to attack.

10:14:01 9 And so Dr. Zagal showed you the Sakurai patent.
10:14:07 10 And the Sakurai patent says: Well, you want to do this.
10:14:09 11 You want to have the control for things like this on the
10:14:12 12 server.

10:14:14 13 And so if a person of ordinary skill in the art
10:14:16 14 had both the game and wanted to make this a game over the
10:14:21 15 Internet and it had the Sakurai, which was concerned about
10:14:25 16 people hacking the game and cheating in the game, it would
10:14:28 17 have been obvious for those two to be combined.

10:14:33 18 And you got a little misdirection here with the
10:14:37 19 Sakurai patent because the Sakurai patent was actually
10:14:41 20 considered by the Patent Office in the prosecution of the
10:14:44 21 '873 patent. It's the only prior art reference that you
10:14:47 22 heard about that was considered by the Patent Office in any
10:14:51 23 of these.

10:14:51 24 And this one, remember, we're just using it for
10:14:55 25 (d) down below. It isn't the heart of the claim. It isn't

10:14:58 1 the shooting effective range. It isn't the frame. It
10:15:04 2 isn't the touch operations. It's just doing this on a
10:15:06 3 server.

10:15:07 4 And, of course, if the Patent Office considered
10:15:09 5 the Sakurai patent and they didn't have the games, they
10:15:14 6 wouldn't have anything to combine it with. And so it's --
10:15:18 7 it means nothing that the Sakurai patent was considered
10:15:21 8 because the games that are actually the heart of the claims
10:15:23 9 were not.

10:15:24 10 Moving on to the '594 patent. So the issue here
10:15:36 11 is that the claim that is asserted is Claim 2. Claim 2 is
10:15:44 12 asserted only against the copy layout feature of Clash of
10:15:49 13 Clans.

10:15:50 14 In the copy layout feature, you go to another
10:15:53 15 player's layout and you copy that layout, and then
10:15:57 16 according to everyone -- according to Dr. Akl, according to
10:16:00 17 the survey expert of GREE, the way that you actually apply
10:16:07 18 that layout is to set it as active. And that does not
10:16:14 19 happen. Dr. Akl admitted that.

10:16:15 20 So what happens instead is you go in -- when you
10:16:20 21 borrow somebody's layout, you go into village edit mode
10:16:24 22 because you have all these conflicts between your layout
10:16:27 23 and the layout that you're borrowing.

10:16:30 24 And when that happens, you can't set it as active
10:16:35 25 until you've fixed all this. And when you fix it, the

10:16:39 1 other thing in the claim is that the layout that you copied
10:16:42 2 has to be related to the other player.

10:16:44 3 And Dr. Akl said: Well, it's not really. It's
10:16:46 4 not really related to the other player -- or he came pretty
10:16:53 5 close to that.

10:16:53 6 And this is where you heard in the jury
10:16:55 7 instructions that the words of the claims matter.

10:16:59 8 And I asked Dr. Akl: Well, if you change the
10:17:02 9 buildings around -- he said: Well, yes, now I've made it
10:17:07 10 my own layout.

10:17:07 11 And I said: Well, it's not related to the other
10:17:10 12 player anymore.

10:17:11 13 And he said: I don't know.

10:17:13 14 They have the burden of proof. I don't know. And
10:17:16 15 then -- then I said: You don't have an opinion about that?

10:17:19 16 And he said: I don't know if we're arguing
10:17:21 17 semantics.

10:17:24 18 This is not semantics. This is the heart of
10:17:27 19 determining whether a patent is infringed, and Dr. Akl
10:17:30 20 didn't know.

10:17:32 21 Again, he said: I'm not sure. I'm not sure.

10:17:35 22 You heard about indirect infringement. A couple
10:17:44 23 of things. There cannot be indirect infringement unless
10:17:48 24 there was an underlying act of direct infringement. So for
10:17:54 25 all of these patents, there is no underlying act of direct

10:17:56 1 infringement, so there cannot be any indirect infringement
10:18:00 2 either.

10:18:00 3 Also, there has to be evidence that Supercell
10:18:03 4 actually intended for there to be infringement by somebody
10:18:07 5 else and knew of the patents at the time. And I don't
10:18:13 6 think they have proven any of that.

10:18:15 7 Okay. The reason -- this section on damages is
10:18:27 8 entitled Lack of Damages for a reason. In our view, there
10:18:33 9 are no damages. If you don't infringe, if there is a
10:18:37 10 patent that is invalid, you don't owe damages for that
10:18:40 11 patent.

10:18:41 12 And we've told you why Supercell does not
10:18:45 13 infringe. We've told you why the patents are not valid.
10:18:49 14 So you don't need to get to the issue of damages if you
10:18:54 15 agree with Supercell that there's no infringement or that
10:18:58 16 the patents are invalid.

10:18:59 17 But we have to talk about it because GREE is
10:19:04 18 talking about it, and you may have noticed they're asking
10:19:06 19 for quite a bit of money.

10:19:09 20 So the place to start in analyzing damages,
10:19:14 21 according to GREE's damages expert, Dr. Becker, is with
10:19:18 22 technology in the lawsuit that has already been licensed.

10:19:23 23 He says that it's the first question you should
10:19:26 24 ask in performing this analysis.

10:19:29 25 And we provided real-world licensing evidence;

10:19:38 1 three licenses with Thompson Licensing, and then the
10:19:42 2 licensing agreement in Japan between GREE and Supercell.
10:19:45 3 All of those, you'll note on the right, are for
10:19:53 4 lump sums. They're not for running royalties. That's the
10:19:56 5 way that in this industry it is typically done, and that's
10:19:59 6 the way that it was consistently done by Supercell and the
10:20:02 7 way it was done by Supercell and GREE when they negotiated
10:20:05 8 a license.
10:20:08 9 So, again, the GREE/Supercell license in Japan was
10:20:14 10 for a lump sum. It was for 1,079 patents and patent
10:20:22 11 applications, not the five that are asserted here. It's
10:20:26 12 for \$4.5 million for that license, a perpetual license. It
10:20:32 13 doesn't matter if the patents doesn't expire in -- until
10:20:37 14 2034. It's for that whole period of time. It's a lump
10:20:40 15 sum. And GREE gave Supercell a license to those patents in
10:20:45 16 Japan for \$4.5 million for more than a thousand patents.
10:20:49 17 So we heard some evidence about what Supercell
10:20:58 18 thought, for instance, the copy layout feature might --
10:21:02 19 what impact it might have on the game. But then we heard
10:21:05 20 evidence from two different surveys, surveys that were
10:21:08 21 performed one on behalf of GREE and one on behalf of
10:21:12 22 Supercell by survey experts who testified about surveying
10:21:19 23 game players and what kind of impact that would have had.
10:21:22 24 And Dr. Becker relied on Dr. Neal's survey, but he
10:21:30 25 only relied on half of it. He ignored the part that didn't

10:21:34 1 support his position. He just threw it away and said:

10:21:37 2 Here's the good half that I want to rely on. And the other

10:21:40 3 half, he threw it in the trash. He didn't use it at all.

10:21:45 4 And Dr. Becker said, for instance, that for

10:21:49 5 certain patents, the value that he determined based on the

10:21:54 6 survey, which is actual users after the feature is in the

10:21:57 7 product, the value for that survey would have been zero,

10:22:01 8 nothing. Not surprising in light of the evidence.

10:22:07 9 And the attempt to rebut that that you hear from

10:22:20 10 GREE is, well, in Dr. Neal's survey, he said you would

10:22:23 11 play -- you know, he asked whether you would play more or

10:22:27 12 you would play less if the feature weren't in the game.

10:22:30 13 And a lot of people said: Yeah, I'd play more if that

10:22:33 14 feature weren't in the game.

10:22:35 15 And Dr. Becker looked at that and assumed that

10:22:37 16 meant they would play more because they would have to spend

10:22:40 17 more time setting up their layout or something like that.

10:22:43 18 But that's not consistent with Dr. Klein's results.

10:22:47 19 In fact, Dr. Klein's results and Dr. Neal's

10:22:50 20 results came out very similarly, but Dr. Klein asked a

10:22:53 21 different question. And he asked how much it would

10:22:57 22 increase or decrease the player's interest if the feature

10:23:02 23 were taken out of the -- of the game.

10:23:07 24 And he found that it would increase -- in fact, a

10:23:13 25 net positive increase in interest, for instance, for the

10:23:17 1 copy layout function if it were removed from the game.

10:23:22 2 So that's not, you know, this grinding stuff you
10:23:26 3 heard before. That's people saying, you know what, I'd --
10:23:29 4 I'd happy if that happened. I would like it if this
10:23:32 5 feature that GREE says is covered by its patent wasn't
10:23:35 6 there. And more people said that than didn't.

10:23:37 7 And so, really, Dr. Neal's evidence, the part that
10:23:44 8 was ignored by Dr. Becker when GREE calculated its damages,
10:23:47 9 that was exactly consistent with that. They were saying we
10:23:49 10 would play more if the feature weren't there because our
10:23:53 11 interest would be increased.

10:23:55 12 THE COURT: 15 minutes remaining.

10:23:58 13 MR. SACKSTEDER: Thank you, Your Honor.

10:23:59 14 So here is the calculation that Dr. Becker did,
10:24:04 15 for instance, for the '594 patent. And he actually figured
10:24:08 16 that the net -- if you look at that line that says net
10:24:12 17 overall reduction to player playing time in the game, it's
10:24:17 18 actually a negative, but that actually means you would play
10:24:19 19 more. So there would be a negative reduction. So people
10:24:22 20 would play the game more if copy layout weren't in the
10:24:24 21 game.

10:24:24 22 And it's supported by Dr. Klein's survey which
10:24:29 23 says people would have higher interest in the game if the
10:24:32 24 feature weren't there.

10:24:32 25 So the incremental revenue, that's the amount of

10:24:36 1 money that you would make if the feature weren't in the
10:24:39 2 game or that is attributed to the feature being in the game
10:24:42 3 is negative .01 percent. So it's a little bit -- you'd
10:24:49 4 lose a little money if you had the feature in the game
10:24:55 5 versus not having it in the game.

10:24:55 6 Again, Dr. Neal's evidence when Dr. Becker
10:25:00 7 considered it, came out to a goose egg, came out to
10:25:04 8 nothing, zero. And Dr. Becker didn't rely on that part.
10:25:09 9 He swept it under the rug.

10:25:12 10 Another thing that Dr. Becker did that was
10:25:16 11 inconsistent with the way surveys are normally used, and
10:25:20 12 Dr. Neal said this himself, is that he didn't have any
10:25:25 13 survey data for the '873 patent or for the '137 or the '481
10:25:30 14 patent, and, you know, sometimes you can't survey that, and
10:25:33 15 Dr. Klein said, well, I couldn't survey the '137 patent
10:25:36 16 because if you changed it so it didn't even get alleged to
10:25:40 17 be infringed, nobody would even notice. It'd be such a
10:25:45 18 small change to the game that it wouldn't matter at all.

10:25:48 19 But Dr. Becker, instead of doing that, he took
10:25:52 20 surveys for the '655 patent, completely different feature.
10:25:57 21 You know, card donation upgrades when you get to -- you
10:26:00 22 know, when you get a certain level of cards in your deck
10:26:04 23 versus a target on the screen or versus the way that you
10:26:10 24 sort of measure the points that you need to play a card.
10:26:16 25 Completely different. And he came up with different

10:26:19 1 royalty numbers for each one.

10:26:20 2 But he -- he tried to bootstrap that survey that
10:26:23 3 Dr. Neal did do on the '655 patent and apply it to patents
10:26:28 4 that were for different features, and for the '873 patent,
10:26:32 5 a different game.

10:26:34 6 That is not the kind of methodology that is
10:26:39 7 accepted in the industry, and you heard Dr. Neal himself
10:26:43 8 agree to that.

10:26:43 9 Now, there's been from GREE from time to time
10:26:56 10 discussion about the evidence that shows that GREE itself
10:26:59 11 was not using its patents, or when they tried to use them
10:27:02 12 in their games, the games were unsuccessful.

10:27:05 13 We are not asserting -- and Supercell is not
10:27:08 14 asserting that that has anything to do with whether the
10:27:11 15 patents are infringed or not. We're just saying if these
10:27:15 16 patents are so valuable to games, how come you didn't put
10:27:18 17 them in your own games? If these patents are so valuable
10:27:22 18 to games, how come when you did put them in your own games,
10:27:26 19 the games flopped?

10:27:28 20 That indicates, you heard, the value of the
10:27:32 21 accused feature compared to the rest of the game. And,
10:27:35 22 here, they have these inventions that they have patents on,
10:27:40 23 and those inventions when they were put in games, the games
10:27:44 24 didn't succeed. And often, they weren't even put in the
10:27:46 25 games.

10:27:47 1 A very wise person once told me that some of the
10:27:54 2 most important evidence in a trial is the evidence you
10:28:00 3 didn't hear.

10:28:02 4 We heard from Andrew Sheppard. He was the chief
10:28:06 5 executive officer of the GREE U.S. subsidiary, and he had
10:28:13 6 to make a difficult decision in 2017. He had to decide to
10:28:16 7 shut down the company and recommend that to GREE in Japan.

10:28:20 8 And you would think if anybody who had to do that,
10:28:23 9 and basically lost his job, if he thought it was
10:28:26 10 Supercell's fault, if he thought that Supercell had
10:28:30 11 somehow, you know, infringed patents and driven them out of
10:28:33 12 business or anything like that, he would have said it.

10:28:37 13 He didn't say that at all. You know what he said?
10:28:40 14 He said that Clash of Clans from Supercell was already a
10:28:46 15 successful game long before any of these issues came up.
10:28:50 16 You know, it was successful a couple years before he joined
10:28:53 17 GREE, and it was successful the whole time he was there,
10:28:56 18 long before copy layout was even added to the game.

10:29:00 19 And that indicates the value of the rest of the
10:29:04 20 game compared to this feature that people didn't really
10:29:10 21 want in the game any more than they wanted it out of the
10:29:12 22 game, and he said it over and over. You know, he said he
10:29:21 23 was very complimentary about Supercell and about Clash of
10:29:26 24 Clash of Clans, and he testified truthfully about that.

10:29:31 25 Talked about Clash of Clans having a strong

10:29:32 1 internally-created IP.

10:29:36 2 Yes, definitely Clash of Clans is strong.

10:29:39 3 Said the same thing about Clash Royale.

10:29:41 4 So you can also learn a lot from a company's own

10:29:48 5 documents and what they did. And GREE admired Clash of

10:29:54 6 Clash long before the copy layout feature was added, long

10:29:58 7 before the patent that they're asserting came about.

10:30:03 8 So here's a document from 2012 from a GREE

10:30:11 9 employee saying: My biggest concern is that CoC, Clash of

10:30:13 10 Clans, is a very, very well-done game from a game design

10:30:19 11 perspective.

10:30:19 12 Mr. Araki testified about DX-200, the document

10:30:22 13 that has Clash of Clans and GREE's Tenmega game, has their

10:30:31 14 characters side-by-side, and he testified that that

10:30:34 15 document came from Mr. Eda who's the named inventor on the

10:30:38 16 '594 patent.

10:30:38 17 GREE was looking at Clash of Clans long before,

10:30:50 18 doing exercises. Each specification other than that must

10:30:53 19 be compliant to the latest Clash of Clans.

10:30:55 20 They were attending industry conferences and being

10:30:59 21 startled by how well Clash of Clans was doing. This was

10:31:02 22 before this patent ever issued.

10:31:04 23 This document from 2015 talks about a member of

10:31:11 24 the team working on a deep-dive analysis on metastructure

10:31:17 25 on Clash of Clans and mentioned that he had analyzed it in

10:31:20 1 the past.

10:31:20 2 All right. We are almost to the end. There are a
10:31:24 3 couple other issues. There were discussions about notice
10:31:27 4 that was provided to Supercell and whether Supercell
10:31:29 5 negotiated with GREE.

10:31:31 6 You've also seen a settlement agreement between
10:31:36 7 GREE and Supercell in Japan. And I think it's reasonable
10:31:44 8 to infer that that settlement agreement resulted from some
10:31:47 9 negotiation.

10:31:47 10 Now, that settlement agreement actually happened
10:31:51 11 when GREE had sued Supercell more than 30 times in Japan in
10:32:00 12 GREE's home court, and most importantly in GREE's home
10:32:03 13 court without a jury, right? There was no jury trial on
10:32:09 14 patent cases in Japan. And so Supercell and GREE
10:32:12 15 negotiated that agreement, again, for 1,079 patents and
10:32:18 16 patent applications for \$4.5 million.

10:32:22 17 Counsel walked you through the verdict form, and I
10:32:25 18 want to take you through that, as well.

10:32:27 19 Supercell believes it has proven -- not only
10:32:31 20 proven that it doesn't infringe but has certainly shown
10:32:35 21 that GREE can't prove it, that Supercell does infringe any
10:32:39 22 claim of the asserted patents.

10:32:41 23 We walked through all five of those patents and
10:32:45 24 showed you that one pinprick that pops the balloon, and
10:32:49 25 sometimes more than one, that not all the claim elements

10:32:53 1 are there in these limited patents, and so there can't be
10:32:57 2 any infringement. And if you find that, we'd like you to
10:32:59 3 check "no" on Question 1.

10:33:01 4 Supercell's experts have also walked you through
10:33:04 5 in great detail why the claims of each patent -- the
10:33:07 6 asserted claims of each patent are invalid. And we'd like
10:33:14 7 you on Question 2 to write in "yes" on each of those.

10:33:17 8 There's a question about whether Supercell
10:33:21 9 willfully infringed on the patents. Again, Supercell
10:33:23 10 received a letter that identified a bunch of Japanese
10:33:26 11 patents in 2016. There was negotiation that led to an
10:33:33 12 agreement in 2019. And so I don't think there's been any
10:33:38 13 proof, even if you find infringement, that any infringement
10:33:42 14 was willful. Supercell believed it had the right to take
10:33:45 15 this case to you, and it followed that process which the
10:33:50 16 Constitution guarantees.

10:33:51 17 THE COURT: Five minutes remaining.

10:33:53 18 MR. SACKSTEDER: Thank you, Your Honor.

10:33:54 19 So even if that -- you know, even if you find
10:33:56 20 infringement of any of the claims of the patent, which we
10:33:58 21 think you shouldn't, there was certainly no willful
10:34:00 22 infringement. And if you find no infringement, obviously
10:34:04 23 there can't be any willful infringement.

10:34:06 24 Question No. 4A, we hope you will leave it blank
10:34:12 25 because there's no infringement, the patents are invalid.

10:34:15 1 And if that's the case, then they get nothing.

10:34:21 2 They don't deserve anything. So we don't think there are

10:34:24 3 any damages for any amount in this case.

10:34:27 4 You've heard the evidence regarding the existing

10:34:31 5 license. I'm not going to do the math for you, but there

10:34:34 6 are -- you know, it's pretty easy to do.

10:34:37 7 You've heard the evidence from Mr. Bakewell about

10:34:40 8 the value or lack thereof of the patents compared to the

10:34:43 9 rest of the games. And so if you do find infringement of

10:34:46 10 any valid claims, then we leave it in your hands. That's

10:34:52 11 the way the system works. But we think that you should

10:34:55 12 leave this question blank.

10:34:56 13 Question 4B, again, if you do find any damages, it

10:35:01 14 should be a lump sum. You saw that every single license

10:35:05 15 that's relevant to this case has been a lump sum license.

10:35:08 16 That's the way they do it in this industry, and that's what

10:35:11 17 we ask you to do if you reach that point.

10:35:13 18 Again, we really thank you for this opportunity.

10:35:20 19 Supercell is relying on the jury system that's guaranteed

10:35:25 20 by the Constitution of this country, and we've seen the

10:35:29 21 attention that the jury has approached this case with, and

10:35:34 22 we leave the case now in your hands.

10:35:36 23 Thank you very much.

10:35:38 24 THE COURT: That completes Defendant's closing

10:35:43 25 argument.

10:35:43 1 Plaintiff may now present its final closing
10:35:46 2 argument.

10:35:48 3 You have 17 minutes and 10 seconds remaining,
10:35:51 4 Mr. Moore.

10:35:51 5 MR. MOORE: Thank you, Your Honor.

10:35:52 6 THE COURT: Would you like a warning on your final
10:35:54 7 argument?

10:35:54 8 MR. MOORE: Yes, sir. Would you mind giving me
10:35:57 9 five minutes and one minute?

10:35:59 10 THE COURT: I will.

10:36:00 11 MR. MOORE: Thank you.

10:36:18 12 THE COURT: You may proceed.

10:36:19 13 MR. MOORE: Thank you, Your Honor.

10:36:20 14 Ladies and gentlemen, I was hoping that
10:36:35 15 Mr. Sacksteder would focus more on what matters and not
10:36:38 16 more of the same.

10:36:39 17 Could we please go to Slide 47?

10:36:43 18 Because they've added some additional excuses to
10:36:49 19 the excuse sign that I showed you in the opening.

10:36:51 20 On the question of infringement, he just played a
10:36:53 21 lot of word games with you. He pointed to the wheels on
10:36:57 22 their table, things like Shelly the brawler, the fact that
10:37:01 23 that's the only brawler that people start with, the Future
10:37:05 24 Play issue, all the other issues I already covered.

10:37:08 25 And, you know, as -- as someone in his position

10:37:11 1 would do, he spent a lot of time criticizing Dr. Akl.

10:37:15 2 You heard Dr. Akl say in -- his deposition that
10:37:19 3 Mr. Sacksteder took was 15 hours long, and I told you he
10:37:22 4 spent five hours on the stand. And as you heard yourself,
10:37:25 5 he has a tendency to speak quickly. So that's 20 hours of
10:37:30 6 testimony. A lot of words.

10:37:32 7 They've got a lot of people there who go through
10:37:34 8 all those transcripts and try to figure out, is there a
10:37:38 9 statement that he said that he's not quite as accurate as
10:37:38 10 he could be that we could then throw it up on a few slides
10:37:38 11 and show it to you?

10:37:39 12 But you heard the entirety of his testimony. You
10:37:43 13 heard the thorough analysis he did, and you shouldn't let
10:37:45 14 the sound bites distract you that you just saw.

10:37:51 15 We also even saw a criticism of GREE's own
10:37:58 16 inventor, Mr. Takeuchi, that somehow his patent is not
10:37:58 17 worthy because he studied fashion design instead of
10:37:58 18 computer networking.

10:38:01 19 Well, there's no rule in the Constitution or the
10:38:03 20 patent laws that you have to have any particular
10:38:06 21 educational background to be an inventor of a patent. You
10:38:09 22 don't have to be a Ph.D. You can have any de -- any
10:38:13 23 background if you have a good idea. But that's the type of
10:38:17 24 arguments that they're making because they know that they
10:38:19 25 infringe.

10:38:19 1 And they also make a lot of arguments about the
10:38:27 2 damages issues, and I want to go back to what their own
10:38:29 3 damages expert said. And that's Mr. Bakewell, who is
10:38:35 4 the -- you saw yesterday.

10:38:36 5 He said that the damages in this case are
10:38:40 6 de minimis. And I went and looked that up last night. And
10:38:45 7 here's one definition, too trivial or minor to merit
10:38:48 8 consideration.

10:38:50 9 He's essentially saying we've just wasted our
10:38:53 10 time. We've wasted all of your time being here for a whole
10:38:58 11 week on this case because it's trivial. We never should
10:39:01 12 have been here to begin with.

10:39:03 13 But Mr. Bakewell didn't actually present you any
10:39:06 14 financial analysis. He didn't do any economic analysis
10:39:10 15 like Dr. Becker did. He didn't crunch any numbers. You
10:39:15 16 recall Dr. Becker crunched million of lines of user data
10:39:21 17 and other financial data and then performed a number of
10:39:23 18 calculations taking all of that into account.

10:39:25 19 Mr. Bakewell didn't do any of that. He didn't
10:39:28 20 discuss any internal Supercell documents showing how
10:39:32 21 valuable these features are to Supercell. And he didn't
10:39:35 22 present a precise number to you as an alternative for you
10:39:39 23 to consider, besides the only economic analysis data in the
10:39:42 24 record.

10:39:42 25 But he did say that Supercell paid him

10:39:45 1 \$400,000.00, and it did that for him to deliver these
10:39:50 2 talking points.

10:39:51 3 And one of the talking points he said, and you
10:39:53 4 just heard it from Supercell's counsel, is that somehow
10:39:57 5 some of these features would be better -- the games would
10:40:00 6 be better off without them.

10:40:02 7 The way they spinning -- they're spinning the
10:40:05 8 data, the survey shows that if you take copy layout out,
10:40:08 9 more players would -- would play it. And if you change the
10:40:12 10 design of the shooting cone in Brawl Stars, more players
10:40:15 11 would pay it.

10:40:16 12 Now, Supercell paid Mr. Bakewell 400,000, and I
10:40:21 13 don't know how much they paid Mr. Klein, but they paid a
10:40:23 14 lot of money for these people to tell them that.

10:40:26 15 Now, forget about this lawsuit. If you paid
10:40:28 16 somebody \$400,000.00 to tell you how you could make your
10:40:28 17 product better, how you could get more people to play it,
10:40:34 18 and, therefore, earn more revenue, wouldn't you do it? But
10:40:37 19 have they done it? No.

10:40:39 20 They haven't made a single change. Copy layout is
10:40:41 21 still in the game. The Brawl Stars cone hasn't changed.
10:40:44 22 None of the other changes they've mentioned have happened
10:40:47 23 either. These are just excuses. This is not real
10:40:51 24 analysis. This is just an excuse and spinning the data
10:40:53 25 without telling you the whole story.

10:40:55 1 Dr. Becker explained how he treated the data the
10:40:59 2 players using -- using the copy -- without the copy layout
10:41:02 3 feature using the game more. They'd have to spend more
10:41:05 4 time grinding. You heard all of that evidence, and they
10:41:08 5 just want you to forget it.

10:41:09 6 Now, they also talk about GREE's own situation in
10:41:15 7 the market and GREE's own games. But the question here on
10:41:19 8 damages is, what is the value of the patented inventions to
10:41:23 9 Supercell? That's in the Court's instructions. What is
10:41:26 10 the value to the infringer? And that value is quite high.

10:41:32 11 They complain that we're seeking too high of a
10:41:35 12 royalty, but as you've heard, they make a lot of money on
10:41:39 13 their games; close to \$1.2 billion in the last few years
10:41:43 14 alone just for these three games in the U.S. And some of
10:41:47 15 it is due to our technology.

10:41:48 16 And we did a little math. Just in 2019, the last
10:41:51 17 full calendar year where we have data, they made over \$450
10:41:56 18 million just for these three games just in the U.S. That
10:42:01 19 equates to 1.25 million a day, over \$52,000.00 an hour,
10:42:05 20 and -- may I approach, Your Honor?

10:42:06 21 THE COURT: You may.

10:42:07 22 MR. MOORE: \$872.00 per minute that Supercell
10:42:32 23 makes just on these games.

10:42:34 24 Now, Mr. Bakewell, he said: Well, by de minimis,
10:42:37 25 I mean you should just award \$5,000.00 per patent, no more

10:42:42 1 than that, in a lump sum.

10:42:44 2 Well, I did some math, and Supercell makes
10:42:47 3 \$25,000.00 every 28 minutes just in the U.S., just on these
10:42:55 4 three games. So they made more than \$25,000.00 in the time
10:42:59 5 that you heard Mr. Sacksteder speak to you.

10:43:02 6 And the reason that they're saying that is they
10:43:05 7 want to say, well, look at the license in Japan.

10:43:05 8 Now, we all agree on a couple of things. This
10:43:08 9 license is just for Japan, not the United States. And
10:43:10 10 Supercell's U.S. revenues, if I flip this chart over, you
10:43:13 11 would see my large 7X. The U.S. revenues are seven times
10:43:19 12 higher here than in Japan.

10:43:23 13 But there's one other thing that's important, and
10:43:25 14 you heard some testimony on this.

10:43:27 15 What happened in Japan when GREE and Supercell
10:43:30 16 signed that license with a lump sum? You will recall
10:43:35 17 there's some testimony that in Japan during the lawsuits,
10:43:38 18 Supercell removed the layout editor from Clash of Clans.
10:43:41 19 And what happened? People were unhappy.

10:43:43 20 When they signed this lump sum license, what's the
10:43:46 21 very next thing they did? They put it back. So all of
10:43:50 22 these stories about the features not being valuable and the
10:43:54 23 games would be better without them, they haven't done it.
10:43:57 24 And in Japan they put it right back.

10:44:04 25 Well, I think for us that kind of goes in the

10:44:06 1 category of fool me once, shame on you; fool me twice,
10:44:10 2 shame on me. That's why a lump sum is not right here
10:44:12 3 because they say these patent features aren't valuable but
10:44:15 4 they haven't taken them out.

10:44:17 5 They want 14 more years of free infringement by
10:44:20 6 just paying \$25,000.00 which they make in 28 minutes.
10:44:24 7 That's not fair. The fair result here is a running
10:44:27 8 royalty.

10:44:27 9 And, yes, nobody's going to deny it's a -- \$24
10:44:35 10 million is a lot of money, but let's put it in context to
10:44:40 11 their revenues. We're asking for .7 percent of their Clash
10:44:43 12 of Clans revenues over the right period. Between the three
10:44:47 13 patents, we're asking for 2.7 percent for Clash Royale and
10:44:52 14 2.4 percent for Brawl Stars. They keep 97 to 99 percent of
10:44:57 15 their revenue. We're not saying the games aren't
10:44:59 16 successful for other reasons. They clearly are.

10:45:02 17 But our patented technology is in their source
10:45:05 18 code, and they should pay a fair running royalty for that.

10:45:08 19 And as I said earlier, if they're really not
10:45:12 20 valuable features, take them out and stop paying us. Put
10:45:15 21 your money where your mouth is. That's their decision.

10:45:19 22 Frankly, the \$25,000.00 lump sum that they offered
10:45:23 23 us is insulting. It ignores the seven times U.S. revenues
10:45:30 24 that they have. If anything, if a lump sum were
10:45:32 25 appropriate here, you should multiply 4.5 million by seven.

10:45:36 1 That would be 31-and-a-half million dollars. That's the
10:45:39 2 scaling that would be appropriate. And that's the scaling
10:45:41 3 Dr. Becker talked about.

10:45:42 4 We're not asking for that. Let me be clear, we're
10:45:46 5 asking for a running royalty. But if you want to scale a
10:45:49 6 license, that's what Dr. Becker said. You have to account
10:45:51 7 for differences in the revenues. He talked about
10:45:54 8 differences in the legal systems.

10:45:55 9 So as much it is true there is no jury trial in
10:45:58 10 Japan, but there's also not very high patent royalties.
10:46:02 11 Dr. Becker cited a study where U.S. patent royalties in --
10:46:05 12 in various industries are typically 10 times higher than in
10:46:10 13 Japan. So the number in Japan is another side show,
10:46:14 14 another distraction.

10:46:14 15 We're here to talk about these five GREE patents,
10:46:18 16 the five you see on the table before you. And those five
10:46:22 17 patents give a lot of value to Supercell. The documents
10:46:27 18 show it. Their own internal messages show it. All of the
10:46:30 19 evidence shows that value.

10:46:32 20 And the instructions you have from the Court are
10:46:35 21 that you are to take into account the value of the patented
10:46:38 22 features to Supercell. And that's the right question -- or
10:46:41 23 that's the right answer on the question of damages.

10:46:43 24 Now, let me back up a little bit and go back to
10:46:53 25 where we started, which is the origins of the parties and

10:46:56 1 who you heard from.

10:46:57 2 You heard a lot of this, and I'll recount some of
10:47:01 3 this evidence. And you heard from Mr. Araki, who's been
10:47:05 4 here, as I said, the whole trial. Senior executive, board
10:47:08 5 member, fourth or fifth employee of the company. Started
10:47:12 6 coding when he was 8. Writes and creates a lot of video
10:47:14 7 games, including ones that are still on the market today.
10:47:17 8 And he was here the entire trial. So that's who you heard
10:47:20 9 from from GREE.

10:47:21 10 From Supercell, the only person you heard from
10:47:23 11 live in this courtroom is Greg Harper. He's also a senior
10:47:27 12 executive at Supercell, also on the board of directors.
10:47:30 13 And he came in very briefly Monday afternoon and talked to
10:47:33 14 us about Supercell. And then when he was done, he walked
10:47:37 15 right out that door.

10:47:38 16 And so let's see what they said about who did
10:47:41 17 what. GREE was founded in 2004, Supercell in 2010. GREE's
10:47:48 18 first mobile social game, *Fishing Star*, was in 2007.
10:47:52 19 Supercell's in 2012.

10:47:55 20 GREE opened an office in the U.S. in 2011.
10:47:58 21 Supercell did the same thing in 2012. GREE filed for its
10:48:03 22 application for the '594 patent and then got that patent in
10:48:07 23 2017. That patent has copy layout, which Supercell didn't
10:48:11 24 add to Clash of Clans until after the patent. And I showed
10:48:14 25 you the exhibit where they knew -- they knew full well

10:48:18 1 about the patent when they did it.

10:48:19 2 So one of the reasons that our jury system is such
10:48:25 3 a good system is it allows citizens like you to be judges
10:48:29 4 of the facts, as His Honor has told you. You are judges of
10:48:32 5 credibility.

10:48:33 6 What do we know from the witnesses? What do we
10:48:35 7 know from their demeanors? What do we know from their
10:48:39 8 motivations when they're testifying?

10:48:46 9 And one thing -- I want you to think back on
10:48:48 10 Monday afternoon -- that Mr. Harper said and all their
10:48:49 11 witnesses said this -- I showed you earlier --

10:48:49 12 THE COURT: Five minutes remaining.

10:48:51 13 MR. MOORE: Thank you, Your Honor.

10:48:51 14 He said that they don't monitor GREE. That's what
10:48:53 15 he told you.

10:48:54 16 But then on cross-examination, we showed that
10:48:57 17 wasn't correct. I showed him an interview with Mr. Araki
10:49:00 18 that he had forwarded to the CEO. I showed him a document
10:49:04 19 where they talked about one of the GREE U.S. games at
10:49:07 20 Supercell. I showed him a document where CEOs --
10:49:13 21 Supercell's CEO was forwarding articles about GREE and
10:49:17 22 calling it a giant in the market.

10:49:19 23 That's what the documents show, not what
10:49:21 24 Mr. Harper said on his direct examination, only to be
10:49:24 25 contradicted by his own writings and those of the CEO.

10:49:27 1 Now, Mr. Harper also said this case is very
10:49:29 2 important to Supercell. But if that's true, why hasn't he
10:49:32 3 been here the whole trial? Why did he march right out
10:49:37 4 after his testimony leaving his right-hand man to sit with
10:49:42 5 us and never take the stand and talk to you during the
10:49:46 6 trial. We were here all week. He was not. And that
10:49:48 7 speaks volumes about whether Supercell cares about this
10:49:50 8 case.

10:49:50 9 One other thing, and it happened fairly quickly,
10:49:54 10 but I think it's -- it indicates the difference between
10:49:56 11 these two companies.

10:49:57 12 Mr. Harper discussed some of the GREE games in the
10:49:59 13 United States, and he discussed -- and you also heard from
10:50:03 14 Mr. Sheppard that some of the games that GREE had released
10:50:07 15 in the United States are from a company called Funzio. And
10:50:12 16 Funzio is a company that GREE acquired. And, in fact,
10:50:15 17 Mr. Harper was impressed by Funzio, so he went to meet with
10:50:15 18 them to get some advice.

10:50:18 19 Well, why do I tell you about this now? Because
10:50:18 20 it tells you a lot about GREE. This is what happened when
10:50:21 21 GREE saw technology that it liked that someone else had in
10:50:26 22 the market. It invested. It bought the company. And it
10:50:29 23 worked with the engineers of those companies to release
10:50:31 24 games that were successful for a number of years.

10:50:33 25 Now, it's true that success did not last, and as

10:50:37 1 you heard from Mr. Sheppard, they weren't able to make it
10:50:40 2 last. It didn't work out. And they had to leave the
10:50:42 3 market.

10:50:43 4 But that speaks to GREE's character. When it sees
10:50:45 5 technology that someone else has that it finds interesting,
10:50:49 6 it does the right thing. It pays for it. It doesn't
10:50:52 7 trespass.

10:50:53 8 Supercell has acted differently. You didn't hear
10:50:56 9 a single word in this trial about Supercell having any
10:50:59 10 patents on its own inventions. They don't respect GREE's
10:51:04 11 property rights. And they don't respect the Patent Office.

10:51:06 12 They're telling you that, on this verdict form,
10:51:09 13 you should say that the Patent Office made a mistake nine
10:51:13 14 times; that three different examiners on the four patents
10:51:16 15 where invalidity is a question made nine different
10:51:20 16 mistakes. And Supercell doesn't respect this process and
10:51:22 17 this trial because they're not here.

10:51:24 18 Now, I want to talk for a moment about what this
10:51:29 19 case is really about -- about somewhat behind the curtain.
10:51:33 20 And that's another thing that Mr. Harper admitted to me on
10:51:37 21 his cross-examination.

10:51:38 22 You saw pictures of a bunch of Supercellians in
10:51:42 23 fields looking very happy. But they didn't tell you who
10:51:45 24 owns Supercell. You didn't hear that until Mr. Harper got
10:51:48 25 on the stand, and I asked him on cross-examination: Who

10:51:51 1 owns Supercell? And he said: It's a company called
10:51:55 2 Tencent, a very large overseas conglomerate with interest
10:52:00 3 in media, gaming, social media, with over 60,000 employees.
10:52:06 4 And so, again, we saw this slide. It's not the
10:52:10 5 full story. I had to get Mr. Harper to admit the truth.
10:52:15 6 Now, I think at the beginning of Mr. --
10:52:19 7 Mr. Sacksteder's summation, closing argument, he called us
10:52:22 8 a bully. That's what he said, that we're a bully. I'm not
10:52:28 9 going to respond with name-calling to that.
10:52:32 10 But I want you to know who is doing the name
10:52:36 11 calling. It's Tencent. They own Supercell. 60,000-person
10:52:44 12 conglomerate, also in the gaming business from overseas,
10:52:49 13 and they hold three of the five Supercell board seats.
10:52:52 14 THE COURT: One minute -- one minute left.
10:52:54 15 MR. MOORE: Thank you, Your Honor.
10:52:54 16 Why didn't you know that until Monday? It's
10:52:57 17 Tencent pulling the strings. If they wanted Supercell to
10:53:00 18 pay for a license for the U.S. patents, those three board
10:53:04 19 members would have outvoted Supercell and said go ahead and
10:53:05 20 do it. That's what's really happening here.
10:53:07 21 So this shows Supercell and Tencent's indifference
10:53:12 22 to the entire process. Supercell refused to stop
10:53:15 23 infringing in 2016 when we sent them the letter. They
10:53:18 24 refused to stop infringing here in the United States when
10:53:20 25 they signed a license in 2019. They refused to take the

10:53:23 1 infringing features out of their source code right now,
10:53:25 2 even though they tell you they could do it easily and it
10:53:28 3 would make it better. Instead it's a lot of excuses.

10:53:31 4 GREE has done the right thing to get patents to
10:53:33 5 protect our innovations. Supercell has not. Now this is
10:53:37 6 your opportunity to hold them responsible for those
10:53:39 7 decisions.

10:53:40 8 Thank you, again, very, very much, ladies and
10:53:43 9 gentlemen of the jury. It's been my honor to speak with
10:53:45 10 you and to present this case to you.

10:53:48 11 Thank you.

10:53:50 12 Thank you, Your Honor.

10:53:50 13 THE COURT: All right. Ladies and gentlemen, that
10:53:52 14 completes closing arguments for both Plaintiff and
10:53:55 15 Defendant.

10:53:55 16 I'd now like to provide you with a few final
10:53:59 17 instructions before you begin your deliberations.

10:54:04 18 You must perform your duty as jurors without bias
10:54:07 19 or prejudice as to any party. The law does not permit you
10:54:11 20 to be controlled by sympathy, prejudice, or public opinion.

10:54:15 21 All parties expect that you will carefully and
10:54:19 22 impartially consider all the evidence, follow the law as I
10:54:24 23 have given it to you, and reach a just verdict, regardless
10:54:28 24 of the consequences.

10:54:29 25 Answer each question in the verdict form based on

10:54:34 1 the facts as you find them to be, following the
10:54:37 2 instructions that the Court has given you on the law.

10:54:39 3 Again, do not decide who you think should win the
10:54:43 4 case and then answer the questions to reach that result.

10:54:49 5 I'll remind you one more time your answers and your verdict
10:54:53 6 in this case must be unanimous.

10:54:55 7 You should consider and decide this case as a
10:54:57 8 dispute between persons of equal standing in the community,
10:55:01 9 of equal worth, and holding the same or similar stations in
10:55:05 10 life. This is true in patent cases between corporations,
10:55:10 11 partnerships, or individuals.

10:55:11 12 A patent owner is entitled to protect his or her
10:55:15 13 rights under the laws of the United States, and this
10:55:18 14 includes bringing a suit in a United States District Court
10:55:21 15 for money damages for infringement.

10:55:23 16 The law recognizes no distinction among types of
10:55:27 17 parties. All corporations, partnerships, other
10:55:31 18 organizations stand equal before the law, regardless of
10:55:36 19 their size or who owns them and are to be treated as
10:55:41 20 equals.

10:55:42 21 Now, when you retire to the jury room in a few
10:55:44 22 minutes to deliberate on your verdict, as I've told you,
10:55:46 23 you will each have a written copy -- an individual, written
10:55:50 24 copy of this charge that I'm giving you.

10:55:52 25 If you desire during your deliberations to review

10:55:55 1 any of the exhibits that have been admitted into evidence
10:56:00 2 over the course of the trial, then you should give a
10:56:02 3 written note signed by your foreperson to the Court
10:56:06 4 Security Officer, who will bring it to me, and I will then
10:56:08 5 send the -- that exhibit or those exhibits to you in the
10:56:12 6 jury room.

10:56:12 7 Once you retire, you should first select your
10:56:17 8 foreperson and then conduct your deliberations.

10:56:21 9 During your deliberations, if you should take a
10:56:25 10 recess, follow all the instructions the Court has given you
10:56:28 11 about your conduct during the trial.

10:56:32 12 After you've reached a unanimous verdict, your
10:56:35 13 foreperson is to fill out those unanimous answers in the
10:56:38 14 verdict form, sign the verdict form on the last page, date
10:56:43 15 it, and then notify the Court Security Officer.

10:56:46 16 Do not reveal your answers until the time you have
10:56:53 17 been discharged by me, unless I direct otherwise. And you
10:56:55 18 must never disclose to anyone, not even to me, your
10:56:59 19 numerical division on any question.

10:57:01 20 Any notes that you've taken over the course of the
10:57:04 21 trial are aids to your memory only. If your memory should
10:57:09 22 differ from your notes, you should rely on your memory and
10:57:12 23 not your notes.

10:57:13 24 Notes are not evidence, and a juror who has not
10:57:17 25 taken notes should rely on his or her own independent

10:57:20 1 recollection of the evidence and should not be unduly
10:57:23 2 influenced by the notes of other jurors. Notes are not
10:57:27 3 entitled to any greater weight than the recollection or
10:57:30 4 impression of each juror about the testimony.

10:57:33 5 If you want to communicate with me at any time
10:57:39 6 during your deliberations, you should give a written
10:57:42 7 message or a question in writing signed by the -- by your
10:57:45 8 foreperson to the Court Security Officer, who will then
10:57:47 9 bring it to me.

10:57:49 10 I will then respond to you as promptly as
10:57:53 11 possible, either in writing or by having you brought back
10:57:56 12 into the courtroom where I can address you orally. And I
10:57:59 13 will always disclose to the attorneys in the case your
10:58:03 14 question and my response before I answer your question.

10:58:06 15 After you've reached your verdict and I have
10:58:14 16 accepted it and I have discharged you from your position as
10:58:18 17 jurors, please understand you are not required to talk with
10:58:20 18 anyone about your service in the case.

10:58:22 19 However, at that time, you will be free to talk
10:58:25 20 with anyone about your service in the case, and that will
10:58:28 21 be your decision and your decision only at that time.

10:58:32 22 I'll now hand eight printed copies of this final
10:58:37 23 jury charge and one clean copy of the verdict form to the
10:58:41 24 Court Security Officer to deliver to you in the jury room.

10:58:47 25 Ladies and gentlemen of the jury, you may now

10:58:50 1 retire and begin your deliberations. We await your
10:58:53 2 verdict.

10:58:53 3 COURT SECURITY OFFICER: All rise.

10:59:04 4 (Jury out.)

10:59:23 5 THE COURT: Please be seated.

10:59:25 6 Counsel, we have cell numbers to reach both trial
10:59:28 7 teams in the event of a question from the jury or the
10:59:36 8 return of a verdict. Consequently, you are welcome to wait
10:59:39 9 off-site if you'd like. By the same token, you are
10:59:45 10 welcome, in whole or in part, to wait here in the
10:59:49 11 courtroom.

10:59:49 12 Thank you for your participation in this trial.

10:59:51 13 Awaiting either a note or a question from the jury
10:59:54 14 or a return of their unanimous verdict, the Court stands in
10:59:57 15 recess.

10:59:58 16 COURT SECURITY OFFICER: All rise.

10:59:59 17 (Recess.)

03:46:48 18 (Jury out.)

04:04:05 19 COURT SECURITY OFFICER: All rise.

04:04:06 20 THE COURT: Be seated, please.

04:07:04 21 After approximately five hours of deliberation, we
04:07:12 22 have our first note. And, actually, counsel, we have two
04:07:17 23 notes, because before I could get you here on the first
04:07:20 24 note, I got a second note.

04:07:21 25 And I'm going to give copies of these notes to

04:07:26 1 counsel, and then we're going to discuss them.

04:07:30 2 I have two copies of the first note and two copies
04:07:36 3 of the second note. I'm going to hand those to the
04:07:41 4 courtroom deputy.

04:07:41 5 And if a representative of each side will
04:07:44 6 approach, we'll hand you two copies so that each side can
04:07:47 7 look at the notes that have been received.

04:07:51 8 It should be one of each, Ms. Lockhart.

04:07:55 9 MS. SMITH: Thank you. Thanks.

04:08:03 10 THE COURT: All right. Let's discuss these
04:08:59 11 briefly.

04:09:00 12 The first note says: Can we please have DX-71,
04:09:09 13 first touch, and PTX-480, DX-1218, DX-1217, internal
04:09:20 14 emails? Can we have the deposition of Jon Franzas?

04:09:26 15 The second note says: Can we see PDX-162,
04:09:34 16 PDX-165, PTX-139?

04:09:38 17 If I'm reading it right.

04:09:40 18 Both of these are signed by Rachel Leathers, who
04:09:44 19 is Juror No -- who is Juror No. 7, who is the apparent
04:09:49 20 foreperson.

04:09:50 21 PTX-480, PTX -- excuse me, DTX-1217 and DTX-1218
04:10:02 22 appear to me to be what they're asking for in the first
04:10:05 23 email. They don't put a "T" between the "D" and the "X" on
04:10:10 24 1218 and 1217, but they note that they're internal emails.
04:10:19 25 And DTX-1217 and DTX-1218 are internal emails.

04:10:24 1 It appears to the Court that these three exhibit
04:10:27 2 numbers correspond with what the jury is asking for.

04:10:29 3 I do not know what they mean by DX-71. It doesn't
04:10:35 4 identify it as DDX or DTX, and I don't think there is a
04:10:42 5 DTX-71, according to my quick look at the list of exhibits
04:10:48 6 that have been used during the course of the trial.

04:10:51 7 So I think I will have to ask them for further
04:10:54 8 clarification on what they mean by DX-71.

04:10:59 9 PDX-162 and 165 are clearly demonstratives. I
04:11:06 10 don't think they're entitled to those.

04:11:08 11 They're not entitled to the deposition testimony
04:11:10 12 of Mr. Franzas or anybody else, and I'll tell them that.

04:11:13 13 PTX-139, which appears at the end of the request
04:11:23 14 in the second note, if I'm reading it right -- because the
04:11:26 15 "X" is awfully small the way they've written it -- is a
04:11:31 16 videoclip. And I don't know any way to present that to
04:11:34 17 them, rather than if that is what they truly want to see,
04:11:39 18 to bring them back into the courtroom and to play it on the
04:11:42 19 screens in the jury box so they can see it again.

04:11:44 20 Now, I'm aware that both sides' IT people have
04:11:48 21 closed up shop and left. I hope they are somewhere close
04:11:53 22 by and we can get them back if that's what we need to do.

04:11:57 23 Those are my thoughts. I'd be happy to hear
04:12:00 24 thoughts from counsel for Plaintiff and Defendant before we
04:12:03 25 go any further.

04:12:06 1 Mr. Moore, do you have a --

04:12:07 2 MR. MOORE: Yes.

04:12:07 3 THE COURT: -- do you have a thought with regard
04:12:09 4 to these two notes and what I've just indicated?

04:12:12 5 MR. MOORE: No, we -- we agree. We will need to
04:12:14 6 check on the -- the numbers ourselves. But I agree with
04:12:17 7 Your Honor about DX-71, that seems to be a little bit
04:12:21 8 unclear.

04:12:22 9 And on the -- on the PDX-162 and 165, I certainly
04:12:28 10 agree that the "D" indicates demonstratives. I'll have to
04:12:31 11 double-check that, though. I think we might want to check
04:12:36 12 to make sure they -- they didn't mean PTX. But I
04:12:40 13 certainly -- I see what the note says, and I see it clearly
04:12:43 14 says DX, and they -- they seem to understand, I think, the
04:12:43 15 difference between that, given the other note.

04:12:45 16 THE COURT: Now, the first note says, DX-71, first
04:12:50 17 touch. Does the notation "first touch" mean anything to
04:12:53 18 you as far as possible clarification of what they're
04:12:58 19 looking for?

04:12:58 20 MR. MOORE: I certainly -- I'd have to consult the
04:12:58 21 list. I certainly understand, I think, what patent it
04:12:59 22 relates to, but whether that's a -- a video or something
04:13:01 23 else, I'm not certain off the top of my head. We can
04:13:08 24 consult our exhibit list and -- and determine that.

04:13:09 25 THE COURT: All right. Mr. Sacksteder, do you

04:13:12 1 have a thought about this?

04:13:13 2 MR. SACKSTEDER: We are trying to determine
04:13:16 3 whether it would be DDX-7.1, which would be a
04:13:22 4 demonstrative, and we are trying to pull that up right now,
04:13:25 5 Your Honor.

04:13:25 6 THE COURT: Well, if it is, they're not going to
04:13:27 7 get a demonstrative.

04:13:28 8 MR. SACKSTEDER: Understood.

04:13:28 9 THE COURT: Let -- let me do this, counsel: I
04:13:30 10 know that you got here as quickly as you could. But I've
04:13:33 11 just given you these two notes, and you have complete
04:13:36 12 copies of what I have.

04:13:38 13 I'm going to go off the record for a couple
04:13:41 14 minutes and let you confer with each other here in the
04:13:43 15 courtroom, and then when you've had a minute to talk, I'll
04:13:46 16 come back and see if we have any additional clarity as to
04:13:52 17 how to proceed, okay?

04:13:54 18 MR. SACKSTEDER: Yes, sir.

04:13:56 19 MR. MOORE: Thank you, Your Honor.

04:13:57 20 THE COURT: We're off the record.

04:13:58 21 COURT SECURITY OFFICER: All rise.

04:14:03 22 THE COURT: I'm not going anywhere.

04:14:06 23 (Off-the-record discussion.)

04:19:58 24 THE COURT: Then let's go back on the record.

04:26:35 25 Counsel, I've given you an opportunity off the

04:26:39 1 record to discuss both of the notes from the jury.

04:26:43 2 For clarity on the record, I'm going to take the
04:26:46 3 first note I received, which begins with the phrase "can we
04:26:50 4 please see DX-71, first touch," I'm marking that in the
04:26:56 5 upper right-hand corner as Item 1 for identification.

04:26:59 6 And the second note that says "can we see PDX-162,
04:27:04 7 PDX-165, PTX-139," I'm marking that in the upper right-hand
04:27:13 8 corner as Item 2 for identification.

04:27:15 9 I'm handing both original notes from the jury to
04:27:18 10 the courtroom deputy to be included in the records in this
04:27:21 11 case.

04:27:22 12 I have discussed with you briefly, while we were
04:27:24 13 off the record and after you've met and conferred and
04:27:27 14 looked at your respective materials, what we collectively
04:27:31 15 think the jury is asking for.

04:27:34 16 I'm going to ask Mr. Dacus and Ms. Smith to
04:27:37 17 approach, and I'm going to hand you a copy of a proposed
04:27:41 18 response, which I think is based on the consensus of what
04:27:49 19 I've heard during our off-the-record discussion. And I
04:27:52 20 want to read it, and then I'll take your comments on it.

04:27:55 21 This says: Response to Jury Notes 1 and 2.

04:28:01 22 Members of the jury, in response to your two separate
04:28:04 23 notes, I'm sending you these exhibits as requested,
04:28:09 24 PTX-480, DTX-1218, DTX-1217.

04:28:16 25 D -- excuse me, PDX-162, PDX-165, and DX-71, being

04:28:25 1 DDX-7.1, are each demonstratives. They are not evidence.
04:28:28 2 I cannot send them to you, as I indicated in my final jury
04:28:32 3 instructions.

04:28:32 4 Next paragraph: The testimony -- the deposition
04:28:35 5 testimony of Jon Franzas is something for which you will
04:28:40 6 have to rely on your memories. This is the case with all
04:28:42 7 witness testimony presented during the trial, both live
04:28:48 8 testimony and deposition testimony. I cannot send that to
04:28:50 9 you.

04:28:51 10 Next paragraph: PTX-139 is a videoclip which will
04:29:00 11 be played to you again in the courtroom. I will bring you
04:29:03 12 back in court -- into the courtroom for this single purpose
04:29:03 13 presently.

04:29:07 14 Let me hear a response from both sides as to the
04:29:10 15 accuracy of that note from your viewpoint.

04:29:10 16 MS. SMITH: No objection from Plaintiff,
04:29:11 17 Your Honor.

04:29:11 18 THE COURT: How about from Defendant?

04:29:16 19 MR. DACUS: We have no objection, Your Honor.

04:29:17 20 THE COURT: All right. Do we have the IT set up
04:29:20 21 to play that videoclip, and do we have it ready?

04:29:46 22 While you're working on a response to that
04:29:48 23 question, I'm going to hand a signed copy of the written
04:29:52 24 response that I just read to you and I gave you copies of
04:29:57 25 previously, to the courtroom deputy to be included in the

04:29:59 1 record.

04:30:00 2 And I'm going to take a signed copy of that same
04:30:04 3 written response with the three exhibits called out, being
04:30:11 4 PTX-480, DTX-1217 and DTX-1218, and I'm going to send them
04:30:18 5 back to the jury with, again, a signed copy of the written
04:30:22 6 response by way of the Court Security Officer. And I'll
04:30:27 7 give them a few minutes, and then we'll bring them in and
04:30:30 8 show them this videoclip.

04:30:33 9 Any objections from either party?

04:30:34 10 MS. SMITH: No, Your Honor.

04:30:35 11 MR. DACUS: No, Your Honor.

04:30:36 12 THE COURT: All right. Mr. Fitzpatrick, if you'll
04:30:39 13 deliver these to the jury.

04:30:41 14 COURT SECURITY OFFICER: Yes, sir.

04:30:43 15 THE COURT: And if you will tell them I'll be
04:30:45 16 bringing them back into the courtroom shortly. They should
04:30:50 17 just leave their notebooks in the courtroom [sic]. They're
04:30:53 18 only going to be in here long enough to watch a videoclip
04:31:00 19 and then go back to the jury room.

04:31:05 20 COURT SECURITY OFFICER: Yes, sir.

04:31:05 21 THE COURT: Are both sides satisfied that the clip
04:31:08 22 on the screen I'm seeing now is the right clip, and it's
04:31:16 23 prepared -- it's ready to be shown as it was shown during
04:31:17 24 the trial?

04:31:18 25 MS. SMITH: Plaintiff is, Your Honor.

04:31:21 1 MS. KAEMPF: Can you play it?

04:31:24 2 MR. MORLOCK: Yeah, sure.

04:31:31 3 MR. SACKSTEDER: Defendants are, Your Honor.

04:31:33 4 THE COURT: Okay. If both sides are ready, let's

04:31:36 5 back it up to the beginning, and then I'll bring in the

04:31:39 6 jury.

04:31:40 7 All right. Mr. Fitzpatrick, please bring in the

04:31:42 8 jury.

04:31:42 9 COURT SECURITY OFFICER: Yes, sir.

04:31:44 10 All rise.

04:31:45 11 (Jury in.)

04:31:45 12 THE COURT: Please be seated.

04:32:32 13 We're going to play PTX-139 for the jury, as

04:32:40 14 requested.

04:32:40 15 As soon as this is over, ladies and gentlemen,

04:32:43 16 I'll direct you to retire to the jury room again and

04:32:45 17 continue your deliberations.

04:32:46 18 Let's play the videoclip, please.

04:32:52 19 (Videoclip played.)

04:33:11 20 THE COURT: All right. That completes the

04:35:45 21 videoclip, PTX-139.

04:35:47 22 Ladies and gentlemen, you may now retire to the

04:35:50 23 jury room and continue your deliberations.

04:35:52 24 COURT SECURITY OFFICER: All rise.

04:35:53 25 (Jury out.)

04:36:14 1 THE COURT: All right. Counsel, awaiting either
04:36:17 2 another note from the jury or the return of a verdict, we
04:36:20 3 stand in recess.

04:36:23 4 (Recess.)

5 (Jury sent home at 6:00 p.m. Court in recess
6 until September 18, 2020.)

7

8

9 CERTIFICATION

10

11 I HEREBY CERTIFY that the foregoing is a true and
12 correct transcript from the stenographic notes of the
13 proceedings in the above-entitled matter to the best of my
14 ability.

15

16

17 /S/ Shelly Holmes
18 SHELLY HOLMES, CSR, TCRR
19 OFFICIAL REPORTER
20 State of Texas No.: 7804
21 Expiration Date: 12/31/20

22 9/17/2020
23 Date

24

25